

0150-10655-0005

**TRANSMITTAL**

TO  
The City Council

DATE  
10/16/18

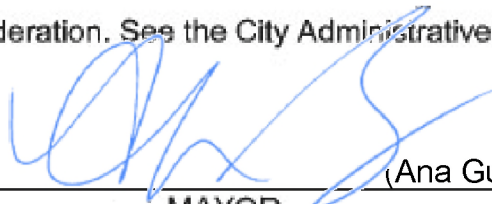
COUNCIL FILE NO.

FROM  
The Mayor

COUNCIL DISTRICT

**Proposed Appropriation of 2018-19 HICAP Funding and Proposed Contract for HICAP Services with Center for Health Care Rights**

Transmitted for your consideration. See the City Administrative Officer report attached.



(Ana Guerrero) for

MAYOR

RHL:AC:08190029c


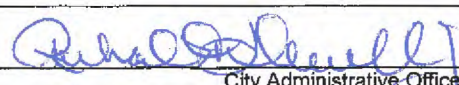
**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 10-16-18	C.D. No. All	CAO File No.: 0150-10655-0005
Contracting Department/Bureau: Department of Aging		Contact: Jacob Wood	
Reference: Transmittal to the Mayor dated July 23, 2018			
Purpose of Contract: Appropriation of 2018-19 funding from Standard Agreement HI-1718-25 and Financial Alignment Standard Agreement FA-1718-25, and execute a new contract with the Center for Health Care Rights to provide HICAP services.			
Type of Contract: (X) New contract ( ) Amendment, Contract No. [C-XXXXXX]		Contract Term Dates: July 1, 2018 to June 30, 2019	
Contract/Amendment Amount: <b>HI-1718-25</b> Proposed Amount: \$648,888 + Prior award(s) \$672,292 = \$1,321,180  <b>FA-1718-25</b> Proposed Amount: \$73,537 + Prior award(s) \$31,321 = \$104,858  <b>CHCR Contract</b> Proposed Amount: \$679,415 = Prior award(s) \$0 = \$679,415			
Source of funds: Older Americans Act funds, State Health Insurance and Assistance Program (SHIP) funds through the California Department of Aging			
Name of Contractor: Center for Health Care Rights			
Address: 520 S. La Fayette Park Place, Suite 214, Los Angeles, CA 90057			
	Yes	No	N/A
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed	X		
4. Proposals have been requested	X		
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City: %			
8. Business Inclusion Program	X		
9. Equal Benefits & First Source Hiring Ordinances	X		
10. Contractor Responsibility Ordinance	X		
11. Slavery & Border Wall Disclosure Ordinances	X		
12. Bidder Certification CEC Form 50	X		
13. Prohibited Contributors (Bidders) CEC Form 55	X		
14. California Iran Contracting Act of 2010			X

**RECOMMENDATION**

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

1. Authorize the General Manager of the Department of Aging, or designee, to execute the proposed contract with the Center for Health Care Rights based upon the HICAP Fiscal Year 2018-19 grant funding, subject to review and approval of the City Attorney as to form;
2. Authorize the Controller to:
  - A. Establish new accounts and appropriate \$73,537 for the Financial Alignment Program (FY 2018-19) within the HICAP Fund Number 47Y for the period from July 1, 2018 to June 30, 2019 as follows:

 AC Analyst 08190029c	 City Administrative Officer
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<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
02R102	Aging	\$ 7,353
02RDD3	Financial Alignment – New	\$ 66,184
<b>Total</b>		<b>\$ 73,537</b>

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

<u>Fund No.</u>	<u>Dept.</u>	<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
From: 47Y	02	02P102	Aging	\$7,353
To: 100	02	001010	Salaries, General	\$7,353

- C. Establish new accounts and appropriate \$648,888 within the HICAP Fund Number 47Y for the period from July 1, 2018 to June 30, 2019 as follows:

<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
02R102	Aging	\$ 35,657
02RD01	HICAP 9 Month	157,564
02RDD1	HICAP 3 Month	53,283
02RD12	HICAP 12 Month	402,384
<b>Total</b>		<b>\$648,888</b>

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

<u>Fund No.</u>	<u>Dept.</u>	<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
From: 47Y	02	02R102	Aging	\$35,657
To: 100	02	001010	Salaries, General	\$35,657

## SUMMARY

In accordance with Executive Directive No. 3, the Department of Aging (Department) requests the appropriation of the fiscal year 2018-19 portion of the Health Insurance Counseling and Advocacy Program (HICAP) budget, and the Financial Alignment grant funding, provided by the California Department of Aging (CDA).

The Department also requests approval to negotiate and execute a contract with the Center for Health Care Rights (Contractor) for the delivery of HICAP services (Attachment 1). The total funding for the contract is \$679,415 for a term of one year. The term of the agreement is retroactive to July 1, 2018, and will expire on June 30, 2019. Section 903 of the Pro-Forma agreement includes ratification language acknowledging services performed prior to the execution of the agreement.

HICAP is an Older Californians Act Community-Based Services Program which provides counseling, community education, and outreach events to Medicare beneficiaries and is the primary local source of information and assistance with Medicare benefits, prescription drug plans and health plans. The State Health Insurance and Assistance Program (SHIP) is a federal grant program which provides support for local programs assisting Medicare beneficiaries. SHIP is a major funding component of HICAP. The total of Fiscal Year 2018-19 HICAP funds is \$648,888. Of this amount, \$35,657 will fund the administrative costs of the Department, and \$613,231 will fund the contract for HICAP services. The total of Fiscal Year 2018-19 Financial Alignment grant funds is \$73,537. Of this amount, \$7,353 will fund the administrative costs of the Department, and \$66,184 will fund the contract for HICAP services. Requests for appropriations of amounts budgeted for Fiscal Year 2019-20 will be made on future dates.

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

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

In October 2015, the Mayor and City Council authorized the department to execute a contract with Contractor for a term of one year, with three one-year extensions, for a total of four years. In August 2016, the Mayor and City Council authorized the Department to rescind this contract, and authorized the Department to execute one-year agreements, to enable the Department to track funding for each fiscal year and to expend grant funds according to CDA guidelines (C.F. 15-1023).

In September 2017, the Mayor and City Council authorized the Department to accept HICAP funding from the CDA for Fiscal Years 2017-18 through 2019-20, with requests for appropriations of each budgeted fiscal year amount to be made each fiscal year. In June 2018, the Mayor and City Council authorized the Department to execute amendments to both Standard Agreement HI-1718-25 and Financial Alignment Standard Agreement FA-1718-25, to reflect both funding increases and reductions from the CDA (C.F. 17-0755).

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

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

## FISCAL IMPACT STATEMENT

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

RHL:AC:08190029c

Attachments

# Attachment 1

## CITY OF LOS ANGELES STANDARD LANGUAGE

Agreement No. ( )

Project Title: HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM

Contractor: CENTER FOR HEALTH CARE RIGHTS

Doing Business As: N/A

Type of Organization: NON-PROFIT

Corporate Number: C1240955

D-U-N-S® (Data Universal Numbering System) Number: 187856463

### CFDA:

CFDA Number	Title	Year	Award Number	Award Name
93.626	SHIP Options Counseling for Medicare/Medicaid	2018 2019	HI-1819-25	Affordable Care Act State Health Insurance Assistance Program (SHIP) and Aging and Disability Resource Center (ADRC) Options Counseling for Medicare-Medicaid Individuals in States with Approved Financial Alignment Models

Center(s): CityWide

Delivery Service Area (if applicable) CityWide

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## EXHIBITS

EXHIBIT A	STANDARD CITY PROVISIONS FOR CITY CONTRACTS (Rev. 10/17 [V.3])
EXHIBIT B	INSURANCE REQUIREMENTS
EXHIBIT C	NOTICE OF PROHIBITION AGAINST RETALIATION
EXHIBIT D	CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS
EXHIBIT E	CERTIFICATION REGARDING LOBBYING
EXHIBIT F	MANAGEMENT REPRESENTATION STATEMENT
EXHIBIT G	SCOPE OF WORK AND CONTRACTOR RESPONSIBILITY
EXHIBIT H	INVENTIONS, PATENTS, AND COPYRIGHTS
EXHIBIT I	PSA FOCAL POINTS – MPC CENTERS
EXHIBIT J	SUBCONTRACTING AND PROCUREMENT
EXHIBIT 1	BUDGET DOCUMENTS:
	Part A: Budget Summary by Cost Category and Projected Expenditures by Month (Not Applicable to performance-based contracts)
	Part B: Budget Justifications, Cost Category - Personnel Costs (Wages and an Employee Benefits) (Not Applicable to performance-based contracts)
	Part C: Budget Justifications, Cost Category - Direct Costs (Not applicable to performance-based contracts)
	Part D: Budget Justifications, Cost Categories - Equipment Costs and Indirect Costs (Not applicable to performance-based contracts)

AGREEMENT NUMBER \_\_\_\_\_ OF THE LOS ANGELES CITY CONTRACTS  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
CENTER FOR HEALTH CARE RIGHTS RELATING TO  
THE HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM (HICAP)

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

**RECITALS**

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

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

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

WHEREAS, the Health Insurance Counseling and Advocacy Program (HICAP) Project has been established by the City as one of the above described programs, and has been funded in the LADOA budget by the CDA pursuant to the Mellow-Granlund Older Californians Act; and

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

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

**1. INTRODUCTION**

**§101 TERMS OF AGREEMENT**

This Agreement including all exhibits and attachments, including, but not limited to, the Standard Provisions for City Contracts (Rev. 10/17[3]), which is attached hereto as Exhibit "A" and incorporated herein by reference, shall constitute the terms of this Agreement.

**§102 NOTICES**

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

**A. The City, represented by:**

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

Jacob Wood, Director  
Los Angeles Department of Aging  
Program Management Division

**B. The Contractor, represented by:**

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

**§103 SERVICE OF NOTICES**

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

**§104 CONDITIONS PRECEDENT TO THE EXECUTION**

- A. Prior to the execution of this Agreement, Contractor shall submit to the City for approval in writing the following documents:
  - 1. Insurance Certificates - The requirements and instructions for completing, executing, and submitting evidence of insurance to the City are set forth in the City's Insurance Requirements, attached hereto as Exhibit B and incorporated herein by reference, and more fully described in §501 herein below.
  - 2. An Affirmative Action Plan in accordance with §503 herein and a copy of which is located on the City's Business Assistance Virtual Network (BAVN) at [www.labavn.org](http://www.labavn.org).
  - 3. If the City has approved the advancement of Older American Act and/or Prop A Transportation funds to Contractor, a Special Bank Account Agreement with a bank for the

deposit of the advanced CDBG funds, The Special Bank Account Agreement shall be on a form supplied by the City that sets forth the right of the City to exercise a suspension of business upon proper notice to the bank by the City.

4. A Code of Conduct that meets the requirements of §504(B) herein.
- B. Prior to execution of this Agreement, Contractor shall provide the City with the documents listed below. Contractor shall provide immediate updates to these documents to the City during the Term hereof in the event that the information changes.
1. A current list of the members of the Board of Directors with their individual addresses where they may be reached.
  2. Contractor's Articles of Incorporation and all amendments to those Articles, as filed with the Secretary of State.
  3. Contractor's Bylaws and all amendments to those Bylaws, as adopted by Contractor and properly attested.
  4. Resolutions of Executorial Authority or other corporate actions of the Contractor's Board of Directors, properly attested or certified, which specify the name(s) of the person(s) authorized to obligate Contractor and execute contractual documents. If the authorized person is someone other than Contractor's Corporate President, then Contractor shall also submit a copy of a signature specimen(s) on a form provided by the City.
  5. A current and valid license to do business in the City of Los Angeles. Contractor represents that it has obtained and presently holds the Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, §21.00, *et seq.*, of the Los Angeles Municipal Code). For the term of this Agreement, Contractor shall maintain, or obtain as necessary, all Certificates required of it under the Business Tax Ordinance and shall not allow the Certificates to be revoked or suspended.
  6. An Internal Revenue Service taxpayer identification number.
  7. A Contractor Responsibility Ordinance Questionnaire in accordance with PSC – 31 of the Standard Provisions for City Contracts and Los Angeles Administrative Code §10.40 *et seq.*
  8. A Certification Regarding Notice of Prohibition Against Retaliation attached hereto as Exhibit "C" and incorporated herein by reference. Contractor shall comply with the requirements of the Notice of Prohibition Against Retaliation as it relates to the Living Wage Ordinance.
  9. A Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion, fully executed in accordance with Executive Orders 12549 and 12689, and 24 CFR part 24, Section 24.510 attached hereto as Exhibit "D" and incorporated herein by reference.
  10. A Certification Regarding Lobbying, fully executed in accordance with City Directive 91-3 (July 27, 1990) and attached hereto as Exhibit "E" and incorporated herein by reference. Contractor shall comply with all provisions of 31 USC §1352 *et seq.*
  11. A Certification of Compliance With Equal Benefits Ordinance/Reasonable Measures Application for Equal Benefits Ordinance in accordance with PSC – 26 of the Standard Provisions for City Contracts and Los Angeles Administrative Code §10.8.3.
  12. A Certification of Compliance with the Slavery Disclosure Ordinance in accordance with PSC – 33 of the Standard Provisions for City Contracts and Los Angeles Administrative Code §10.41
  13. A Management Representation Statement fully executed in accordance with City's fiscal policies and attached hereto as Exhibit "F" and incorporated herein by reference.

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

- A. Contractor warrants that it has adopted, shall retain, and make available upon request from the City, the following documents and their amendments, if any:
  - 1. Organization Chart of the Older American Act and Prop A Transportation program(s), which indicate the relative positions of all personnel, authorized by Exhibits 1 – Budget Documents, Part B; Budget Justifications, Cost Category 1000 – Personnel Cost (Wages and Employee Benefits).
  - 2. Job Descriptions, individual job descriptions for all personnel authorized by Exhibits 1 – Budget Documents, Part B; Budget Justifications, Cost Category 1000 – Personnel Costs (Wages and Employee Benefits). All revisions shall be submitted to the City.
- B. Contractor's Financial and Accounting Procedures, which incorporate Generally Accepted Accounting Principles (GAAP) including, but not limited to, the preparation and submission of invoices, reconciliation of cash on-hand and earnings with City records, reporting and tracking of customer activity and earnings, repayment of unearned funds, preparation for the resolution of audits and inspections, inventory control, reporting and tracking of program income.
- C. Contractor's Personnel Policy, which incorporates due process protection and standard personnel procedures, and which the Contractor agrees to abide by in the performance of this Agreement.
- D. Agreements with Other Funding Sources: A copy of any agreements between Contractor and other public or private organizations that directly impact the activities funded under this Agreement shall be kept on file at Contractor's offices and be provided to the City upon Agreement execution. Contractor shall also notify City of any default, termination, or finding of disallowed costs under these agreements. Contractor warrants that no other funding source will be billed for services that are provided and paid for by the City under this Agreement.
- E. Board of Director's meeting minutes.

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

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

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

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

### **§201 TIME OF PERFORMANCE**

- A. The term of this Agreement shall be from July 1, 2018 to June 30, 2019 and any additional time as may be necessary to close out activities, provided that said term is subject to the provisions of this Agreement ("Term"). Performance shall not commence until the City has approved all of the required documents described hereinabove, and is in receipt of those and/or other documents as described herein.



- B. The City may, at its discretion, agree to extend the Term and/or provide additional funds to Contractor. Funding for contract extensions will be based on the availability to the City of state and/or federal funds and upon the Contractor's successful performance of all terms of this Agreement.

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

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

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

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

## **§203 BUDGET**

- A. Contractor shall submit to the City for approval prior to the disbursement of any funds hereunder a proposed Budget. The parties have cooperated in the preparation of Budget Documents, consisting of the following, which shall control the expenditures by the Contractor and which is attached hereto as Exhibit 1, Budget Documents and incorporated herein by reference.
1. Part A: Budget Summary by Cost Category, which is a summary by Cost Categories of approved expenditures.
  2. Part B: Budget Justification, Cost Category Personnel Costs (Wages and Employee Benefits), which is a detailed listing of approved Contractor's personnel and their wages and benefits.
  3. Part C: Budget Documents, Cost Category Direct Costs, which is a detailed listing of Direct Costs.
  4. Part D: Budget Documents, Cost Category Equipment and Indirect Costs, which is a detailed listing of Equipment and Indirect Costs.
  5. Budgets described herein shall be adhered to unless modified and approved in writing as provided by PSC – 5 of Exhibit A which is attached hereto and incorporated herein by reference.

### 3. COMPENSATION

#### §301 CONTRACTOR COMPENSATION

##### A. Compensation

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

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

CITYWIDE PROGRAM	12 MONTH FUNDING (July 1, 2018 – June 30, 2019)	9 MONTH FUNDING (July 1, 2018 – March 31, 2019)	3 MONTH FUNDING (April 1, 2018 – June 30, 2019)	TOTAL FUNDING
State HICAP Fund	\$			\$
HICAP Reimbursement (Insurance Fund)	\$			\$
Federal SHIP Fund		\$	\$	\$
TOTAL FUNDS	\$	\$	\$	\$

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

##### B. Funding of Agreement

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

C. Payment to the Contractor

1. The City makes no commitment to fund this project beyond the initial Term of this Agreement. The City shall review the Contractor's performance on a periodic basis. In the event the City determines that the Contractor is not meeting its proposed performance measures, the City may unilaterally reduce the compensation set forth above in compliance with the provisions set forth in this Agreement, upon written notice to the Contractor and as set forth by a written amendment.
2. The Contractor shall be reimbursed for reasonable and allowable expenses incurred. Unless the Contractor has been approved to receive advance payments, all payments shall be on reimbursement basis. The Contractors who are on an advance payment plan authorized by the City as described in the Budget shall bill the City for all reasonable and allowable costs incurred.
3. Contractors not on advance payment plan shall request reimbursements by submitting the cash request, monthly expenditure report and all other documents as required by the City. The Contractor shall be reimbursed after City has received the monthly expenditure report and all other required documents and after City determines that the Contractor has incurred and expended funds for reasonable and allowable costs under this Agreement.
4. Reasonable and allowable costs shall be determined pursuant to the Allowable and Unallowable Cost section herein.

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

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

F. Indirect Costs

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

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

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

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

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

- I. **Match Requirements:** The Contractor shall report in its invoice the required match of non-federal funds, if applicable. If required to provide a match of funds, as set forth above in this compensation section of this Agreement, the Contractor shall report in each invoice the funds being matched. Documentation shall be maintained and made available for review.
- J. **Overtime Work:** Unless specifically stated herein or authorized by the City in writing, the Contractor shall not incur overtime work expenditures.
- K. **Travel:** Must be approved in advance by the City and included in the Budget. Contractor shall be compensated for its reasonable travel expenses incurred in the performance of the Scope of Work and in compliance with 2 C.F.R. §200.474. All travel, including out-of-state travel not included in the Budget, shall not be reimbursed without prior written authorization from the LADOA.
- L. **Reallocation of Funds:** City reserves the right to unilaterally decrease funds allocated to the Contractor in the event that the City determines that (i) the Contractor has failed to provide adequate services as required in this Agreement, (ii) the Contractor, based on its spending pattern as evidenced by invoices submitted, will have unexpended funds at the end of the Term, or (iii) City determines that a reallocation of funds would better meet program objectives. Such reallocation of funds may be by written amendment to this Agreement or unilaterally imposed by the City by written notice to the Contractor.
- M. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (California Government Code §12650 et seq.), including treble damages, costs of legal actions to recover payments, and civil penalties of up to Ten Thousand Dollars (\$10,000) per false claim.

#### **4. METHODS AND PROCEDURES GOVERNING PAYMENT**

##### **§401 WITHHELD PAYMENTS**

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

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

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

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

- A. To be eligible for payment, costs or expenditures must be made in compliance with the terms herein, and the provisions of 2 C.F.R., Part 200, and with the principles set forth below:

1. Be necessary and reasonable for the proper and efficient performance of the Scope of Work and in accordance with the Budget; the City shall have final authority to determine in good faith whether an expenditure is necessary and reasonable.
2. Conform to the limitations within these general conditions and to any governing statutes, regulations and ordinances.
3. Be fully documented and determined in accordance with GAAP
4. Not be included as a cost or used to meet cost sharing or matching requirements for any other government funding source in either the current or a prior period, except when permitted by the respective government funding sources.

B. The following costs, among others, are specifically disallowed:

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

**§404 PROGRAM INCOME**

- A. Program income is defined as income earned through the activities funded hereby and as set forth in 2 CFR 200.80 and d2 CFR 200.307. Program income includes, but is not limited to, grants, fees that duplicate payments, average daily attendance payments earned through program funded activities, and public or nonprofit agency revenues in excess of contract costs.
- B. Interest earned on advances received by Contractor is program income. All interest earned must be reported as part of the Contractor's monthly expenditure report and must be returned to the City quarterly by separate check made payable to the City and which identifies that the amount represents interest earned on advanced funds.



- C. Any program income must be reported to the City on the expenditure report, and must be returned to the City in accordance with the City's written direction to the Contractor. At the City's discretion, program income may be used to augment the Contractor's program. Use of program income is permitted only by written amendment to this Agreement. Should this use of program income be approved, Contractor shall maintain records in support of all earnings and expenditures relating to the use of those funds in accordance with City record retention and audit requirements. The City shall monitor Contractor's compliance with all program income requirements.
- D. Contractor's failure to comply fully with program income requirements including any City Directives or regulations shall result in findings of disallowed costs.

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

Contractor shall, within forty-five (45) days of the end of the Term, transmit to the City any, and all, remaining program income directly generated by funds provided hereby.

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

- A. Contractor agrees that upon either the completion or termination of this Agreement any unexpended funds, whether advances, interest earned on advances or unearned funds, shall be immediately returned to the City and in no event later than forty-five (45) days after completion or termination.
- B. Contractor shall submit a complete and accurate final closeout invoice of costs and reimbursements for services performed hereby to the City within forty-five (45) days following the termination or completion of this Agreement. Failure by Contractor to comply with the 45 day requirement may result in a unilateral close-out by the City based on previous invoices filed with the City, and/or the imposition of sanctions as specified herein. Requests for payment after the 45 days shall not be paid by the City.

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

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

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

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

#### **§501 INSURANCE**

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

- 1. During the Term and without limiting Contractor's duty of indemnification herein, Contractor shall provide and maintain at its own expense a program of insurance having coverage and limits customarily carried and actually arranged by the Contractor but not less than the amounts and types listed on the Required Insurance And Minimum Limits Sheet (Form Gen. 146) in Exhibit B hereto, covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with instructions set forth on the City of Los Angeles-Instructions And Information On Complying With City Insurance Requirements (Revised 5/12) document, and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. Specifically, such insurance shall: 1) protect City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interest May Appear, respectively, when

such status is appropriate and available depending on the nature of applicable coverage; 2) provide City at least thirty (30) days advance written notice of cancellation, material reduction in coverage or reduction in limits when such change is made at option of the insurer; and 3) be primary with respect to City's insurance plan. Except when City is a named insured, Contractor's insurance is not expected to respond to claims which may arise from acts or omissions of the City.

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

**B. Modification of Coverage**

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

**C. Failure to Procure Insurance**

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

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

**D. Workers' Compensation**

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

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

## **§502 AMERICAN WITH DISABILITIES ACT**

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

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

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

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

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

Contractor will require its subcontractors, if any, to include this language in any subcontract.

## **§503 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

- A. Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State, and the City. In performing this Agreement, the Contractor shall not discriminate in its employment practices, against any employee or applicant for employment, denial of family and medical care leave; denial of pregnancy disability leave or reasonable accommodations against any employee or applicant for employment because of such person's race, ancestry, color, citizenship, national origin, religion, sex, sexual orientation, gender identity, gender expression, transgender status, age, marital status, familial status, domestic partner status, physical handicap, mental disability, medical condition, political affiliation or belief. Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- B. Contractor shall comply with the provisions of the Los Angeles Administrative Code §§10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of One Thousand Dollars (\$1,000), or more, Contractor shall comply with the Equal Opportunity Practices Provisions of the Los Angeles Administrative Code Section §10.8.3, in which event said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of Twenty-Five Thousand Dollars (\$25,000), the Affirmative Action Program of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code §10.8.4, in which event, said provisions are incorporated herein by this reference. The Contractor shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action.
- C. Any subcontract entered into by Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this section.
- D. No person shall on the grounds of race, ancestry, color, citizenship, national origin, religion, sex, sexual orientation, gender identity, gender expression, transgender status, age, marital status,

familial status, domestic partner status, physical handicap, mental disability, medical condition, political affiliation or belief be excluded from participation in, be denied the benefit of, or be subjected to discrimination under this program/project. For purposes of this section, Title 24 Code of Federal Regulations Part 107 and §570.601(b) defines specific discriminatory actions that are prohibited and corrective action that shall be taken in a situation as defined therein.

#### **§504 CONFLICT OF INTEREST**

A. No City-funded Employees as Board Members

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

B. Code of Conduct

1. The City requires that all contractors/subcontractors adopt a Code of Conduct that, at a minimum, reflects the constraints discussed in WDS Directive No. 17-08, which supersedes WDS Directive #14-05, [http://ewddfacity.com/images/directives/wds-directive/WDS-Dir\\_17-08.pdf#zoom=75](http://ewddfacity.com/images/directives/wds-directive/WDS-Dir_17-08.pdf#zoom=75). The Code shall be submitted to the City for approval prior to execution of this Agreement.
2. Prior to obtaining the City's approval of any subcontract, Contractor shall disclose to the City any relationship, financial or otherwise, direct or indirect, of Contractor or any of its officers, directors or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.
3. Contractor covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administering any subcontract supported (in whole or in part) by City funds (regardless of source) where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:
  - a. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
  - b. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
  - c. The participation of such person would be prohibited by the California Political Reform Act (California Government Code §87100 et seq.) if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.
4. Definitions:
  - a. The term "immediate family" includes but is not limited to domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law.
  - b. The term "financial or other interest" includes, but is not limited to:
    - 1). Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.

- 2). Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
- c. A "subcontract" is any agreement entered into by a Contractor for the purchase of goods or services with any funds provided by this Agreement.
5. Minutes of Board Meetings must reflect disclosure of transactions where Board Members may have had a direct or indirect interest/benefit in the action.
6. No director, officer, employee (or agent) of Contractor may be on the Board of Directors if they receive any financial benefit provided by any City agreement.
7. Contractor further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
8. Contractor shall not subcontract with a former director, officer, or employee within an one-year period following the termination of the relationship between said person and the Contractor.
9. For further clarification of the meaning of any of the terms used herein, the parties agree that references shall be made to the guidelines, rules, and laws of the City, State, and federal regulations regarding conflict of interest.
10. Contractor warrants that it has not paid or given and will not pay or give to any third person, any money or other consideration for obtaining this Agreement.
11. Contractor covenants that no member, officer or employee of Contractor shall have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one year thereafter.
12. Contractor shall incorporate the foregoing subsections of this section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "Contractor" and "sub-subcontractor" for "Subcontractor".
13. Contractor warrants that it has adopted and shall comply with the Code of Conduct, as approved by the City that meets the foregoing requirements.

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

Contractor warrants and certifies that it shall comply with all applicable statutes, rules, regulations, and orders of the United States, the State, the County and City of Los Angeles. Contractor understands that failure to comply with any of the following assurances may result in suspension, termination or reduction of grant funds, and repayment by Contractor to City of any unlawful expenditures. Contractor further warrants and certifies that it shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

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

Contractor shall comply with all applicable requirements of State, federal, County and City of Los Angeles laws, executive orders, regulations, program and administrative requirements, policies, and any other requirements governing this Agreement, including, but not limited to laws and regulations pertaining to labor, wages, hours, and other conditions of employment. These requirements include, but are not limited to:



1 Federal Award Requirements

Contractor shall comply with the provisions of 2 C.F.R., Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

2. Single Audit Act

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

3. Political and Sectarian Activity Prohibited

- a. None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither shall any funds provided under this Agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement shall be used for any sectarian purpose or to support or benefit any sectarian activity.
- b. Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any disclosure form previously filed by Contractor. Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers and that all subcontractors shall certify and disclose accordingly.

4. Records Retention

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

5. Records Maintenance

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

6. Subcontracts and Procurement

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

## 7. Labor

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

## 8. Civil Rights

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

- a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 42 U.S.C. §2000d, and implementing regulations) which prohibits discrimination on the basis of race, color, or national origin and its implementing regulations and as applied through Executive Order No. 13166, entitled "Improving Access to Services for Persons with Limited English Proficiency" ("LEP"), which requires recipients of federal funds, including Contractor, to take reasonable steps to insure meaningful access to its programs and activities by person with LEP as more fully described in HUD's final guidance contained in Federal Register, Volume 72, No. 13.
- b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex.
- c. §§503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794, 45 CFR, Part 84), which prohibits discrimination on the basis of handicap.
- d. The Age Discrimination act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age.
- e. The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse.

- f. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
- g. §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records.
- h. Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §3601 et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing.
- i. Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made.
- j. The requirements of any other nondiscrimination statute(s) which may apply to the application.
- k. P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
- l. Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972 (42 U.S.C. §2000e).
- m. The Genetic Information Nondiscrimination Act of 2008 (GINA) P.L. 110-233.

9. Environmental

- a. Contractor shall comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchases.
- b. Contractor shall comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §1451 et seq.); (f) conformity of federal actions to State (Clean Air) Implementation Plans under § 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523) and the California Safe Drinking Water and Toxic Enforcement Act of 1986; (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205); (i) Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234); and (j) §508 of the Clean Water Act (38 U.S.C. §1360).
- c. Contractor shall comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
- d. Contractor shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §4822 et seq.) that prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
- e. Contractor shall comply with the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.) that restores and maintains the chemical, physical and biological integrity of the nation's waters.
- f. Contractor shall ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of violating facilities and that it will

notify the Federal Grantor agency of the receipt of any communication from the director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

- g. By signing this Agreement, Contractor ensures that it is in compliance with the California Environmental Quality Act, Public Resources Code §21000 et seq. and is not impacting the environment negatively.
- h. Contractor shall comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

10. Preservation

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

11. Suspension and Debarment

Contractor shall comply with Federal Register, Volume 68, Number 228, regarding Suspension and Debarment, and Contractor shall submit a certification Regarding Debarment required by EO 12459 and 12689, and any amendment thereto. Contractor shall require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors shall certify accordingly.

12. Drug-Free Workplace

Contractor shall comply with the federal Drug-Free Workplace Act of 1988, 41 USC §701, 28 CFR Part 57, and the California Drug-Free Workplace Act of 1990 (California Government Code §§ 8350-8357).

13. Animal Welfare

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

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

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

16. Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

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

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

19. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (California Government Code §12650

et seq.), including treble damages, costs of legal actions to recover payments, and civil penalties of up to Ten Thousand Dollars (\$10,000) per false claim.

**B. Statutes and Regulations Applicable to This Grant Agreement:**

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

1. **Asbestos and Lead-Based Paint:** Laws and regulations pertaining to abatement of asbestos containing materials (ACM) and lead-based paint (LBP) including insuring that all personnel involved in the abatement of removal process of all ACM and LBP will wear the necessary, legally required protective clothing and respiratory gear.
2. **Archaeological Sites:** If archaeological sites are determined to be located in the vicinity of the program site, a halt work condition is required to allow a state certified archaeologist to assess findings and all work to continue in non-archaeological areas.
3. **Federal Acquisition Regulation, 48 CFR, Part 31.**
4. **City of Los Angeles Ordinance 164244 relating to the 1% fee for public art.**

**C. Statutes and Regulations Applicable to the Older Americans Act Funded Agreements:**

1. Grantees must comply with Area Agency financial and program reporting requirements for Title III-B, Title III-C, Title III-D, Title III-E, Title VII and Ombudsman funding.
2. The Grantee must comply with all laws and/or requirements of federal, state, and local fire, health, safety, and sanitation and other standards prescribed in law or regulations and the Area Agency, including, but not limited to:
  - a. Older American Act of 1965, as amended; and
  - b. Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (Part 92).

**§506 FEDERAL, STATE AND LOCAL TAXES**

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

**§507 INVENTIONS, PATENTS AND COPYRIGHTS**

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

**6. GRANT REQUIREMENTS**

**§601 REPORTING REQUIREMENTS**

- A. **General Reporting:** Contractor shall furnish to the City at the times and on the forms and formats, electronically or manually, as the City may require all records, reports, data and information pertaining to matters covered by this Agreement.
- B. **Program Reporting:** Contractor shall submit to the City the following program reports as identified below. Contractor shall submit to the City all required documents in accordance with all City procedures and Directives, which are incorporated herein by reference.
  1. **Monthly Fiscal Report and Closeout Report**
    - a. **Expenditure Report –** Due on or before the 15th day of each month, the Contractor shall submit the Expenditure Report to the City, which reflects accrued expenditures as of the previous month on forms provided by the City.
    - b. **Cash Request –** Due on or before the 15th day of the month, a Cash Request shall be submitted on forms provided. Contractors approved for cash advances shall submit a cash request on or before the 5th day of the month but not earlier than

the 25<sup>th</sup> of the preceding month. If approved for cash advance, Contractor shall submit an expenditure report for costs incurred as of the 2 months preceding the month for which the cash is requested.

**2. Closeout Report**

- a. Within 45 days following the termination of this Agreement, Contractor shall submit to the City, on forms provided by the City, a complete and accurate final closeout invoice including accruals of allowable expenditures and a remittance for all unearned grant funds as identified in the close-out. Final requests to modify the Budget shall be submitted to the City before final closeout. By submission of the closeout invoice, the Contractor certifies that: i) Costs reported and payments requested are valid and consistent with the terms of the Agreement; and, ii) cash payments received from the City shall be used to pay only for expenditures reported in the final closeout invoices. Costs reported are subject to City verification.
- b. In the event Contractor does not submit a final closeout or other required documentation within the prescribed time frame, the City reserves the right to unilaterally closeout the Agreement and use the invoice then on file at City for determination of Contractor's final allowable expenditures. The City will not reimburse Contractor for expenditures reported after the 45 day closeout date following the termination of this Agreement. The City shall provide to Contractor the City closeout forms at least 30 days before termination of the Agreement.

**§602 MAINTENANCE OF RECORDS**

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

**§603 CUSTOMER/APPLICANT FILES**

Contractor shall complete and maintain on-site in each customer's file the following documents, as prescribed by program requirements: 1) application for all applicants; 2) eligibility documents (see note below); 3) assessment documents; 4) standard worksite training agreement (when applicable); 5) progress reports; 6) counseling documents; 7) job development records; 8) exit documents; 9) post placement follow-up documentation; 10) documentation of follow-up services; 11) employer verification documents; 12) verification documents for training completion; 13) written documentation that customer has received: program orientation, supportive services information, City complaint resolution procedures, contractor customer complaint resolution procedures; 14) documentation of supportive services received; and 15) documentation of credential received as a result of training.

NOTE: The City requires Contractor to verify and certify eligibility and maintain in the customer file, on-site, all eligibility documentation prior to, or as of, the date the applicant is registered in the program.

**§604 EQUIPMENT RECORDS**

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

A record shall be maintained for each item of equipment acquired for the program. Equipment is nonexpendable property, which is not consumed or does not lose its identity by being incorporated into another item of equipment, which costs \$500 or more per unit, or is expected to have a useful life of one year or more. Items costing below \$500, but falling into the following categories are also considered equipment and records must be maintained for them: (1) electronic communications equipment for stationary or vehicular use, including cellular telephones acquired by lease or purchase, and (2) electronic office equipment as follows – facsimile machines, copiers, electric typewriters, personal computers (monitors and CPU's), terminals, and printers.

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

- B. All equipment obtained under this Agreement shall have a City identification decal affixed to it. The identification decal, when practical, shall be affixed where it is readily visible.
- C. A physical inventory shall be taken by Contractor and reconciled with the record card annually or at other times as the City shall prescribe.

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

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

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

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

A. **Lease of Equipment**

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

B. **Purchase of Equipment**

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

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

1. Property shall be used solely in the performance of this Agreement
  2. No modifications shall be made to the property without the prior written approval of City.
  3. Contractor shall be liable for any and all loss, damage or destruction of property acquired under this Agreement during the period the property is under the control of the Contractor, except losses, damage or destruction resulting from reasonable wear and tear. Damage, loss, or destruction of the property shall be immediately reported to the City.
- C. Purchase of depreciable equipment including, but not limited to, computer hardware and software and vehicles require prior City written approval. Disposition of nonexpendable personal property shall be governed by City Directives, as applicable. All private for profit contractors shall acquire prior City approval before purchasing any nonexpendable personal property.
- D. **Lease of Property or Facilities**
1. All lease agreements shall incorporate the following provisions:

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

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

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

#### **§606 ACCOUNTING PRACTICES**

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

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

- A. Expenditures shall be supported by properly executed payrolls, time records, invoices, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges.



Checks, payrolls, invoices, vouchers, orders, or other accounting documents shall be clearly identified and readily accessible.

- B. Payroll expenditures shall be supported by activity reports that may include but not be limited to case reports, mileage logs, attendance rosters and other documents supporting work related to City contract or program.
- C. Contractor shall not release funds to any subcontractor for reimbursement of costs, until it has received adequate documentation from the subcontractor that the expenditures are reasonable and allowable under the sub-agreement. All documentation must remain on file at Contractor's office.

#### **§608 AUDITS AND INSPECTIONS**

- A. At any time during normal business hours and as often as the Grantor, the U.S. Comptroller General, Auditor General of the State or the City may deem necessary, the Contractor shall make available for examination, all of its records with respect to all matters covered by this Agreement. The City, the U.S. Comptroller General, and the Auditor General of the State shall have the authority to audit, examine and make excerpts, or transcripts from records, including all contractor's invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.
- B. Access by the Grantor, City, the State, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records (including computer records) of the Contractor which are directly pertinent to charges to the program, shall not be denied in order to conduct audits and examinations, and make excerpts, transcripts, and photocopies. This right also includes timely and reasonable access to Contractor's and subcontractor's personnel for the purpose of interviews and discussions related to such documents.
- C. Contractor agrees to provide any reports requested by the City regarding performance of the Agreement. When total expenditures under all federal programs in a fiscal year equal or exceed \$750,000, the Contractor shall conduct or have conducted on an annual basis, audits in accordance with the Single Audit Act of 1984, PL 98-502, implementing regulations in the provisions of 2 C.F.R. Part 200, which applicable provision supersedes OMB Circulars A-133 as applicable, (City Council action dated February 4, 1987, C.F. No. 84-2259-S1) and administrative regulations or field memos implementing revisions or updates to the audit requirements. The auditor's reports, prepared in accordance with the aforementioned requirements, and any accompanying management reports on the operation of the Contractor or this Agreement, shall be submitted to the City within nine (9) months after the close of the Contractor's fiscal year.
- D. Contractor, should it meet the above threshold, shall annually subcontract with a qualified independent auditor.
- E. The audit is to be conducted annually to test the fiscal integrity of financial transactions as well as compliance with the applicable laws and regulations.
- F. Contractor, not later than thirty (30) days following receipt of the final audit report and within nine (9) months after the close of Contractor's fiscal year, shall submit a copy of the report to the LADOA's Financial Management Division.
- G. If the auditor's report or management report identifies deficiencies with internal controls or contract compliance, the Contractor shall prepare and submit a corrective action plan along with the auditor's reports. The plan shall address all deficiencies and provide specific details on corrective actions to be taken along with the date the action was or will be implemented.
- H. If the expenditures under all federal programs are less than \$750,000, Contractor shall permit the City to conduct a performance review of this Agreement and all related records in accordance with directives received from the City.
- I. In the event that Contractor is operating on a for-profit basis, Contractor shall conduct a program-specific annual independent financial and compliance audit in accordance with generally accepted government auditing standards, or an organization-wide audit that includes coverage of the City program within its scope.

- J. The City reserves the right to impose any or all of the following sanctions for Contractor's failure to comply with the Single Audit Act and the provisions of this Agreement:
  - 1. Withhold a percentage of payments, at the City's sole discretion, until the audit is completed satisfactorily and submitted to the LADOA, and/or.
  - 2. Suspend payments due to Contractor until the audit is completed satisfactorily and submitted to the City; and/or Impose the Default, Probation, Suspension and Termination provisions of this Agreement as set forth herein.
- K. City, Auditor General of the State, Grantor, Director of the Office of Civil Rights, and the U.S. Comptroller General shall have the authority to audit, examine, and make excerpts or transcripts from records, including contracts, invoices, customer records and other records supporting this Agreement. Audits of earned funds are limited to determining if such funds were earned in accordance with this Agreement.
- L. City may require Contractor who has inadequate fiscal or administrative procedures, to use any or all of the City's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of fiscal matters relating to this Agreement; or secure at Contractor's expense the service of independent experts.
- M. City shall have the authority to make physical inspections and to require such physical safeguarding devices as locks, alarms, safes, fire extinguishers, sprinkler systems, etc., to safeguard property, records and/or equipment used in the performance of this Agreement.
- N. Should a fiscal or special audit determine that Contractor has earned funds which are questioned under the criteria set forth herein, the Contractor shall be notified and given the opportunity to justify questioned expenditures prior to the City's final determination of disallowed costs, in accordance with the procedures established under the Grant.

#### **§609 CONFIDENTIALITY OF INFORMATION**

- A. The Grantor, the City, and Contractor will exchange various kinds of information pursuant to this Agreement. That information will include data, applications, program files and databases. These data and information are confidential when they define an individual or an employing unit. Confidential information requires special precautions to protect it from unauthorized use, access, disclosure, modification, and destruction. The sources of information may include, but are not limited to, the Employment Development Department, the California Department of Social Services, the California Department of Education, the County Welfare Department(s), the County IV-D Directors Office of Child Support, the Office of the District Attorney, the California Department of Mental Health, the California Office of Community Colleges, and the Department of Alcohol and Drug Programs.
- B. The City and Contractor agree that:
  - 1. Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.
  - 2. Each party shall provide written instructions to all of its employees with access to information provided by the other party of the confidential nature of the information and of the penalties for unauthorized use or disclosure found in §1798.55 of the Civil Code, §502 of the Penal Code, §2111 of the Unemployment Insurance Code, §10850 of the Welfare and Institutions Code and other applicable local, State and federal laws.
  - 3. Each party shall (where appropriate) store and process information in an electronic format, in such a way that unauthorized persons cannot reasonably retrieve the information by computer, remote terminal, or other means.
  - 4. Each party shall promptly return to the other party confidential information when its use ends or destroy the confidential information utilizing an approved method of destroying confidential information by shredding, burning, or certified, or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.

5. If the City or Contractor enters into an agreement with a third party to provide services, the City or Contractor agrees to include these data and security and confidentiality requirements in the agreement with that third party. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.
6. Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and, each party shall notify the other of any changes in that designation. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.

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

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

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

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

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

- A. Contractor shall report to the City numeric data, statistics, facts, news, details and information for its City-funded project(s) using forms and formats such as the electronic Integrated Services Information System prescribed by the City for this purpose.
- B. The City shall rely upon and use records and monthly invoices located at the City, and on-site verifications, as needed, to substantiate Contractor's performance and expenditure data, including, but not limited to, enrollment, training services, placement activities, wages, business/job creation, and post-program services status.
- C. The City may contact Contractor staff, participants, subcontractors, training institutions or schools to verify the documentation supporting performance and compliance with this Agreement.

#### **§613 INSTALLATION OF FINANCIAL ASSISTANCE SIGN**

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

#### **§614 PRESS RELEASES – PUBLIC INFORMATION**

Contractor shall make specific reference to the City as the sponsoring agency and that Contractor is an Equal Opportunity/Affirmative Action Employer in all communications with the press, television, radio or any other means of communicating with the general community. Contractor shall make specific reference to the City as the sponsoring agency of the program regarding any items that are related to the program

funded hereby. Contractor shall also coordinate press releases with the media/public relations project for maximum impact.

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

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

**§616 LISTING OF CONTRACTOR'S EMPLOYMENT OPPORTUNITIES WITH EDD**

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

**§617 TECHNICAL ASSISTANCE**

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

**§618 PROHIBITION OF LEGAL PROCEEDINGS**

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

**§619 ADMINISTRATIVE HEARING FOR DENIAL OF CLIENT BENEFITS BY CONTRACTOR - IF APPLICABLE**

- A. Contractor has read and agrees to strictly comply with Title 22 of the California Code of Regulations, §100751, as amended, which sets forth elements to be included in client benefit denial appeal procedures and shall advise individuals who have been denied assistance of their 20-day right to appeal to the State for an administrative hearing pursuant to 42 U.S.C. §8624(b) (13), as amended.
- B. The client may withdraw request for appeal for administrative hearing at any time during the appeal process by rendering written or oral notice to the State. Where oral notice is given, such notice shall be confirmed in writing by the parties.

**§620 FAITH-BASED ACTIVITIES**

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the grant-funded program. However, a contractor that participates in a grant-funded program shall comply with the following provisions if it is deemed to be a religious or faith-based organization.

- A. Contractor may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded under this Agreement. If Contractor conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under this Agreement, and participation must be voluntary for the beneficiaries of the grant-funded programs or services.
- B. A religious or faith-based contractor will retain its independence from federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct grant funds to support any inherently religious activities, such as worship, religious instruction, or proselytization.
- C. A religious or faith-based contractor may use space in their facilities to provide grant funded services, without removing religious art, icons, scriptures, or other religious symbols.
- D. A religious or faith-based contractor retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and

include religious references in its organization's mission statements and other governing documents.

- E. A religious or faith-based contractor shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.
- F. Grant funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities.
- G. Grant funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this section. Where a structure is used for both eligible and inherently religious activities, grant funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to grant funds herein. Sanctuaries, chapels, or other rooms that a grant funded religious congregation uses as its principal place of worship, however, are ineligible for grant funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property dispositions.

## **§621 CHILD ABUSE**

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

## **7. SUBCONTRACT AND PROCUREMENT PROCEDURES**

- §701** Contractor shall comply with the federal and City standards in the award of any subcontracts. For purposes of this Agreement, subcontracts shall include, but not be limited to, purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts. Contractor shall comply with subcontracting/procurement requirements set forth in Exhibit "H", which is attached hereto and incorporated herein by reference, and shall ensure that the terms of this Agreement are incorporated into all subcontractor agreements. Contractor shall submit all subcontractor agreements to the City for review prior to the release of any funds to the subcontractor. Contractor shall withhold funds to any subcontractor that fails to comply with the terms and conditions of this Agreement and their respective subcontractor agreement.

## **8. REMEDIES**

### **§801 DEFAULTS**

Should the Contractor fail for any reason to comply with the contractual obligations of this Agreement, including but not limited to, meet the Performance Standards, start up the program on time, provide services according to plan and/or to benefit customers and the provisions of the Agreement, maintain expenditures at an approved rate in the Budget, resolve performance problems in a timely manner, demonstrate the capabilities to solve identified problems within a specific time, provide necessary fiscal or Management Information Services documents to City in a timely manner, maintain agreed cost per placement or utilize grant funds in accordance with the terms and conditions of the Agreement, the City reserves the right to take any or all of the following actions at its discretion:

- A. Notify Contractor of performance deficiencies in accordance with §804 of this Agreement.
- B. Withhold the release of funds.
- C. Require that no funds be advanced to Contractor until Contractor has provided for the security of funds advanced by a Surety/performance bond. The amount and form of the security, if required, shall be determined by the City as noted on the Insurance Requirement Form and is subject to prior City approval.
- D. Modify and/or renegotiate the funding/service level and/or make any changes in the general scope of this Agreement.
- E. Require Contractor to secure at its own expense the services of independent experts.

- F. Require specific performance progress reports for identified time periods.
- G. Reduce compensation within the scope of the City's reallocation policy.
- H. Suspend operations in accordance with §803 below of this Agreement.
- I. Terminate the Agreement.

**§802 NOTICE TO CORRECT PERFORMANCE**

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

**§803 SUSPENSION OF THE AGREEMENT**

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

**§804 TERMINATION OF AGREEMENT**

- A. At any time during the Term the City may terminate this Agreement, or any part of the Agreement, upon giving Contractor at least 30 days written notice prior to the effective date of the termination, which date shall be specified in the notice. The City is not required to use other remedies provided herein prior to issuing a 30 day notice to terminate the Agreement. Upon the receipt of such notice, Contractor shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities or as otherwise approved by the City.
- B. Contractor shall retain and dispose of all customers' documents and related records required by Contractor under this Agreement, in accordance with City Directives or written instructions. All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights thereto, shall become City property upon the date of such termination. Contractor agrees to execute any documents necessary for the City to perfect, memorialize or record the City's ownership of rights provided herein.
- C. Contractor shall return to the City all equipment that was purchased with City grant funds pursuant to this Agreement.
- D. In the event Contractor dissolves or otherwise goes out of existence, copies of all records relating to the project or activity that are the subject of this Agreement shall be furnished to the City.
- E. Upon satisfactory completion and documentation of termination activities, the City shall determine the total amount of funds earned by Contractor.
- F. The City may withhold any payments due to Contractor after notice of termination has been issued for the purpose of set-aside until the exact amount of damages or unearned dollars due to the City from Contractor is determined.
- G. Subsections B, C, D, E, and F above shall also apply to Agreements terminating upon the date specified in §201 of the foregoing Agreement or upon completion of performance of this Agreement.

- H. This Agreement may be terminated immediately for any violation of City Lobbying Ordinances.
- I. In the event the City terminates this Agreement as provided in this section, the City may procure, upon such terms and in such manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and Contractor shall be liable to the City for all of its costs and damages, including, but not limited to, any excess costs for such services.
- J. If, after notice of termination of this Agreement, under the provisions of this section, it is determined for any reason that Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had not been issued pursuant to this section.

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

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

#### **9. MISCELLANEOUS**

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

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

##### **§902 ORDER OF PRECEDENCE**

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

##### **§903 RATIFICATION CLAUSE**

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

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

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement includes \_\_\_\_\_ (\_\_\_\_\_) pages, and nine (9) exhibits, that constitute the entire understanding and agreement of the parties.

10. **SIGNATURE PAGE**

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

APPROVED AS TO FORM AND LEGALITY:

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2018

MICHAEL N. FEUER, City Attorney

For: THE CITY OF LOS ANGELES

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

LAURA TREJO  
General Manager  
Los Angeles Department of Aging as

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

ATTEST:

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

HOLLY L. WOLCOTT, City Clerk

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

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

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2018

For: Center for Health Care Rights

(Contractor's Corporate Seal)

By: \_\_\_\_\_  
Name: Irving Reifman  
Title: Member – Executive Committee of  
Board of Directors

By: \_\_\_\_\_  
Name: Aileen Harper  
Title: Executive Director

D-U-N-S® Number: 187856463

City Business License Number: 709737-12

Internal Revenue Service Number: 95-3921686

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

Agreement Number \_\_\_\_\_ of City Contracts, Amendment Number N/A



## EXHIBIT A

### STANDARD PROVISIONS FOR CITY CONTRACTS

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## STANDARD PROVISIONS FOR CITY CONTRACTS

### **PSC-1.**      Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

### **PSC-2.**      Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

### **PSC-3.**      Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A.      This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B.      This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C.      The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D.      This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

### **PSC-4.**      Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

**PSC-5.      Amendment**

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

**PSC-6.      Excusable Delays**

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

**PSC-7.      Waiver**

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

**PSC-8.      Suspension**

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

**PSC-9.      Termination**

E.      Termination for Convenience

**CITY** may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against

CITY under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights CITY is entitled to, shall become CITY property upon the date of the termination. CONTRACTOR agrees to execute any documents necessary for CITY to perfect, memorialize, or record CITY'S ownership of rights provided herein.

F. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.
3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
  - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
  - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
  - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
  - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as

defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.

6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.

7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.

8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

G. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

#### **PSC-10. Independent Contractor**

**CONTRACTOR** is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

#### **PSC-11. Contractor's Personnel**

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

**CONTRACTOR** shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement



of any Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

**PSC-12.     Assignment and Delegation**

**CONTRACTOR** may not, unless it has first obtained the written permission of **CITY**:

- A.     Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B.     Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

**PSC-13.     Permits**

**CONTRACTOR** and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

**PSC-14.     Claims for Labor and Materials**

**CONTRACTOR** shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

**PSC-15.     Current Los Angeles City Business Tax Registration Certificate Required**

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

**PSC-16.     Retention of Records, Audit and Reports**

**CONTRACTOR** shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract, or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

**PSC-17. Bonds**

All bonds required by CITY shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

**PSC-18. Indemnification**

Except for the active negligence or willful misconduct of CITY, or any of its boards, officers, agents, employees, assigns and successors in interest, CONTRACTOR shall defend, indemnify and hold harmless CITY and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including CONTRACTOR'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by CONTRACTOR, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

**PSC-19. Intellectual Property Indemnification**

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the CITY, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by CONTRACTOR, or its Subcontractors, in performing the work under this Contract; or (2) as a result of CITY'S actual or intended use of any Work Product (as defined in PSC-21) furnished by CONTRACTOR, or its Subcontractors, under this Contract. The rights and remedies of CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

**PSC-20. Intellectual Property Warranty**

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

**PSC-21. Ownership and License**

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound



recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

**CONTRACTOR** agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

**CONTRACTOR** shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

**PSC-22.    Data Protection**

- A.    **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR'S** discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY'S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY'S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B.    If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

**PSC-23.     Insurance**

During the term of this Contract and without limiting **CONTRACTOR'S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY'S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit B hereto. Exhibit B is hereby incorporated by reference and made a part of this Contract.

**PSC-24.     Best Terms**

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR'S** customers for similar goods and services provided under this Contract.

**PSC-25.     Warranty and Responsibility of Contractor**

**CONTRACTOR** warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

**PSC-26.     Mandatory Provisions Pertaining to Non-Discrimination in Employment**

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

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**PSC-27.    Child Support Assignment Orders**

**CONTRACTOR** shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-28.    Living Wage Ordinance**

**CONTRACTOR** shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-29.    Service Contractor Worker Retention Ordinance**

**CONTRACTOR** shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-30.    Access and Accommodations**

**CONTRACTOR** represents and certifies that:

- A.    **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B.    **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C.    **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D.    Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E.    The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

**CONTRACTOR** understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-31. Contractor Responsibility Ordinance**

**CONTRACTOR** shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

**PSC-32. Business Inclusion Program**

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Business Assistance Virtual Network ("BAVN") at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

**PSC-33. Slavery Disclosure Ordinance**

**CONTRACTOR** shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-34. First Source Hiring Ordinance**

**CONTRACTOR** shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-35. Local Business Preference Ordinance**

**CONTRACTOR** shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-36. Iran Contracting Act**

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

**PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections**

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR'S** principals, and **CONTRACTOR'S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the "Restricted Persons") shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the

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ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected CITY officials or candidates for elected CITY office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

**"Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections**

You are a subcontractor on City of Los Angeles Contract #\_\_\_\_\_. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles ("CITY") officials and candidates for elected CITY office for twelve months after the CITY contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at [ethics.lacity.org](http://ethics.lacity.org) or by calling the Los Angeles City Ethics Commission at (213) 978-1960."

**PSC-38. Contractors' Use of Criminal History for Consideration of Employment Applications**

**CONTRACTOR** shall comply with the City Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-39. Limitation of City's Obligation to Make Payment to Contractor**

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for CITY to comply with its governing legal requirements, CITY shall have no obligation to make any payments to **CONTRACTOR** unless CITY shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to CITY and CITY shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services provide any equipment or incur any expenses in excess of the appropriated amount(s) until CITY appropriates additional funds for this Contract.

**PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards**

**CONTRACTOR** shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act ("FACTA"), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards ("PCI DSS"). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.



**PSC-41. Compliance with California Public Resources Code Section 5164**

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR'S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

**PSC-42. Possessory Interests Tax**

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

**PSC-43. Confidentiality**

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively "Confidential Information") are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

**EXHIBIT B**

**INSURANCE CONTRACTUAL REQUIREMENTS**

**CONTACT** For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at [www.lacity.org/cao/risk](http://www.lacity.org/cao/risk). The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

**CONTRACTUAL REQUIREMENTS**

**CONTRACTOR AGREES THAT:**

1. **Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named Insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
2. **Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
3. **Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
4. **Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
5. **Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.  
  
CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.
6. **Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.
7. **California Licensee.** All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.
8. **Aggregate Limits/Impairment.** If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired

aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

- 9. Commencement of Work.** For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.



## Required Insurance and Minimum Limits

Name: \_\_\_\_\_

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

Agreement/Reference: \_\_\_\_\_

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

### Limits

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**Workers' Compensation (WC) and Employer's Liability (EL)**

WC    Statutory  
EL

☐ Waiver of Subrogation in favor of City☐ Longshore & Harbor Workers☐ Jones Act

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**General Liability**
☐ Products/Completed Operations☐ Sexual Misconduct \_\_\_\_\_☐ Fire Legal Liability \_\_\_\_\_☐ \_\_\_\_\_

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**Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work)

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**Professional Liability** (Errors and Omissions)
☐ Discovery Period \_\_\_\_\_

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**Property Insurance** (to cover replacement cost of building - as determined by insurance company)
☐ All Risk Coverage☐ Boiler and Machinery☐ Flood \_\_\_\_\_☐ Builder's Risk☐ Earthquake \_\_\_\_\_☐ \_\_\_\_\_

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**Pollution Liability**
☐ \_\_\_\_\_

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**Surety Bonds - Performance and Payment (Labor and Materials) Bonds**


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**Crime Insurance**

Other: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## **EXHIBIT G**

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

In keeping with this program intention, mutually developed performance outcomes and measures will be established for this contract. The Contractor's performance will be evaluated based on consideration of the units of service in Exhibit G incorporated by this reference and the performance outcomes and measures.

- A. The Contractor shall plan, develop, operate, and manage the programs, which are the subject of this Agreement, in compliance with governmental codes, regulations, and directives applicable to such programs and as defined in this Agreement.

The Contractor shall coordinate with the Regional Nutritionist Contractor to ensure that nutrition education and counseling are provided to congregate and home-delivered participants.

B. Targeting of Services

1. Services shall be targeted to seniors 60+ with emphasis on serving seniors with greatest economic and social need, and with particular attention to low income minorities. The OCA defines minority populations to be Blacks, Hispanics, Asian/Pacific Islanders, and Native Americans.
2. Greatest economic need is defined to mean the need resulting from an income level at or below the poverty line as established by Federal Guidelines.
3. Greatest social need is defined to mean the need caused by non-economic factors, which include physical and mental disabilities language barriers, cultural, social, or geographic isolation including that caused by racial or ethnic status which restricts an individual's ability to perform normal daily tasks or which threaten the capacity of the individual to live independently.

C. Units of Service

The units of service referred to in this Agreement are in accordance with those standard units of service defined in the operations manual issued by the Department of Aging, State of California, a copy of which has been furnished to the Contractor by the City.

D. Health Insurance Counseling Advocacy Program

1. The Contractor shall provide Health Insurance Counseling and Advocacy Program (HICAP) services to eligible persons residing in the city. The Contractor shall target all Aging Service Areas. Using the 2010 Census as a guide, the Contractor shall make an effort to proportionally service all ethnic groups in each Aging Service Area in which services are being provided.
2. The Contractor shall provide HICAP services at the following Multipurpose Senior Centers or at other appropriate locations in the Aging Service Areas for the contract period:

Name: Center for Health Care Rights

Location: 520 S. La Fayette Park Place, Suite 214, Los Angeles, CA 90057

Name: People Coordinated Services (West Adams)

Location: 2528 West Boulevard, Los Angeles, CA 90016

Name: People Coordinated Services Multipurpose Senior Center

Location: 5133 South Crenshaw Boulevard, Los Angeles, CA 90043

Name: Mexican American Opportunity Foundation

Location: 2130 E. 1<sup>st</sup> St., Suite 2200, Los Angeles, CA 90033

Name: Bradley Multipurpose Senior Center

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Location: 10957 South Central Avenue, Los Angeles, CA 90059

Name: Slauson Multipurpose Senior Center

Location: 5306 South Compton Avenue, Los Angeles, CA 90011

Name: Sherman Oaks East Valley Adult Center

Location: 5056 Van Nuys Boulevard, Sherman Oaks, CA 91403

Name: Alicia Broadous - Duncan Multipurpose Senior Center

Location: 11300 Glenoaks Boulevard, Pacoima, CA 91331

Name: Bernardi Multipurpose Senior Center

Location: 6514 Sylmar Avenue, Van Nuys, CA 91401

Name: ONEgeneration Senior Enrichment Center

Location: 18255 Victory Boulevard, Reseda, CA 91335

Name: Robert M. Wilkinson Multipurpose Senior Center

Location: 8956 Vanalden Avenue, Northridge, CA 91342

Name: Wilmington Multipurpose Senior Center

Location: 1148 North Avalon Boulevard, Wilmington, CA 90744

Name: Felicia Mahood Multipurpose Senior Center

Location: 11338 Santa Monica Boulevard, Los Angeles, CA 90025

Name: St. Barnabas Multipurpose Senior Center (Northside)

Location: 5170 Santa Monica Boulevard, Los Angeles, CA 90029

Name: Single Room Occupancy Housing Corporation – Russ Hotel

Location: 517 South San Julian Street, Los Angeles, CA 90013

Name: Freda Mohr Multipurpose Senior Center

Location: 330 North Fairfax Avenue, Los Angeles, CA 90036

Name: St. Barnabas Multipurpose Senior Center

Location: 675 South Carondelet Street, Los Angeles, CA 90057

3. The Contractor shall provide HICAP services at the multipurpose senior centers a minimum of once per quarter. If the Contractor does not provide HICAP services at a City multipurpose center and the City multipurpose center declines to host a HICAP education program, the Contractor will conduct a HICAP education program at an alternative site location in the ASA in which the senior center is located. The Contractor is required to provide notification prior to conducting the HICAP education at an alternative site location. The Contractor is required to notify the City of any additional sites or alternate sites selected by the Contractor for the provision of HICAP services. The notification will include the site name, location and the proposed number of visits. Approval of the Contractor's request is contingent on the suitability of the site and the impact on sites contained in this Agreement.

E. Community Based Services Program - Health Insurance Counseling and Advocacy Program

The purpose of the Health Insurance Counseling and Advocacy Program (HICAP) is to provide Medicare beneficiaries and those imminent of becoming eligible for Medicare with counseling and advocacy as to Medicare, private health insurance, and related health care coverage plans, on a statewide basis, and preserving service integrity.

HICAP provides three basic services. The first of these is community education to acquaint citizens, regardless of age, with timely, accurate information on health care-related issues. The second component is lay counseling and advocacy; one-on-one, confidential, direct assistance and intervention on billing and claims,

access to care, and health care delivery systems, as well as health and long-term care insurance policy and certificate analysis. Finally, HICAP provides legal representation or referral for Medicare-related appeals and grievances when issues cannot be resolved at a less formal level.

1. The Contractor shall provide, but not be limited to, the following minimum service for the following activities and services:

CLIENT CONTACTS	
	Total Clients Counseled (Unduplicated)
	Total Number of ALL Client Contacts

COUNSELING (Hours)	
	# of Volunteer Counseling Hours
	# of Paid Staff Counseling Hours
	Total Hours Counseled

LEGAL SERVICES	
	Legal Clients Served
	Client Representation Hours
	Consultation to Program Hours

PUBLIC AND MEDIA EVENTS	
	Public, Media, Community Education Events
	Events/Booths/Exhibits/Outreach Events
	Persons Reached at PAM Events

EDUCATIONAL MEDIA	
	Television/Cable Show
	Radio
	Other Print Activity (Newspaper Articles/Fliers/Pamphlets, etc.)
	Total Educational Media

EDUCATIONAL MATERIALS	
	Other HICAP or Insurance related publications

OUTREACH/PUBLICITY	
	Television/Radio/Ads/Crawls, etc. (PSA Electronic Events)
	General HICAP Brochures/Posters
	Total Outreach/Publicity

California Department of Aging (CDA) requested Units of Service listed below for HICAP.

Program Service Area (PSA)	State Performance Measures	
	Clients Counseled <sup>FI</sup>	Public and Media Events (PAM)
	PM 1.1	PM 1.2
	MAT	MAT
25		

Program Service Area (PSA)	Federal Performance Measures													
	Total Client Contacts		Persons Reached at PAM Events		Contacts with Medicare Beneficiaries due to Disability		Low-Income Medicare Beneficiary Contacts		Contacts with One or More Qualifying Enrollment Topics		Contacts with One or More Qualifying Part D Enrollment Topics		Total Counseling Hours	
	PM 2.1		PM 2.2		PM 2.3		PM 2.4		PM 2.5		PM 2.6		PM 2.7	
	MAT	EB	MAT	EB	MAT	EB	MAT	EB	MAT	EB	MAT	EB	MAT	EB
25														

PM = Performance Measures

MAT = Minimum Attained Threshold

EB = Exemplary Performance Benchmark

FI = From Finalized Intakes

2. The Contractor shall provide direct access to, linkages to, space for, and co-location for all of its activities and services.
3. The Contractor shall conduct at least one presentation at a senior residential facility annually in each City ASA.
4. Participant donations for services rendered by the Contractor shall be received with complete anonymity. The Advisory Council shall recommend a suggested schedule of donatives rates which the Contractor will post in a prominent location within the service area. The Contractor's Senior Service Director shall be responsible to implement procedures that will assure the anonymity of the donor, proper recording, safeguarding, accounting and deposit of the donations.
5. Staff and Volunteer

Volunteers for the HICAP may be reimbursed for expenses incurred, as specified by the California Department of Aging (CDA).

The Contractor shall provide training to all staff, paid and volunteer, to assist in developing their abilities, improve their job performance, and to ensure appropriate relationships between staff and participants.

The Contractor shall be responsible for the recruitment, training, coordination and registration with the CDA of health insurance counselors, including a large contingent of volunteer counselors designed to expand services as broadly as possible.

No health insurance counselor shall provide counseling services under this chapter, unless he or she is registered with the CDA.

No registered volunteer health insurance counselor shall be liable for his or her negligent act or mission in providing counseling services under this chapter. No immunity shall apply to health insurance counselors for any grossly negligent act or omission or intentional misconduct.

No registered volunteer health insurance counselor shall be liable to any insurance agent, broker, employee thereof, or similarly situated person for defamation, trade libel, slander, or similar actions based on statements made by the counselor when providing counseling, unless a statement was made with actual malice.

Prior to providing any counseling services, health insurance counselors shall disclose, in writing, to recipients of counseling services pursuant to this chapter that the counselors are acting in good faith to provide information about health insurance policies and benefits on a volunteer basis, but that the information shall not be construed to be legal advice, and the counselors are, generally not liable unless their acts and omissions are grossly negligent or there is an intentional misconduct on his or her part of the counselor.

The CDA shall not register any applicant under this section unless he or she has completed satisfactorily training which is approved by the CDA, and which shall consist of not less than 24 hours of training that shall include, but is not limited to, all of the following subjects:

- a. Medicare
- b. Life and disability insurance
- c. Managed care
- d. Retirement benefits and principles of long-term care planning
- e. Counseling skills
- f. Any other subject or subjects determined by the CDA to be necessary to the provision counseling services under this chapter.

The CDA shall not register any applicant under this section unless he or she has completed all training requirements and has served an internship of co-counseling of not less than 10 hours with an experienced counselor and is determined by the local program manager to be capable of discharging the responsibilities of a counselor. An applicant shall sign a conflict of interest and confidentiality agreement as specified by the CDA.

A counselor shall not continue to provide health insurance counseling services unless he or she has received continuing education and training, in a manner prescribed by the CDA.

F. Outreach Services Program

The Contractor shall provide an outreach service program through which hard-to-reach isolated elderly individuals in greatest need of available social services are identified and contacted. The purpose of the outreach services program is to inform these individuals of the opportunities and assistance available, with the intent of linking them to the appropriate service.

G. Information and Assistance Services Program (OAA Title III-B)

The Contractor shall provide an information assistance services program according to the CCR, Title 22 Division 1.8 Chapter 4 Article 2.

H. Grant-Related Income

1. Grant-Related Income referred to in this Agreement is in accordance with the definition issued by the Department of Aging, State of California, which is as follows:
  - a. Grant-Related Income refers to income derived as a direct or indirect result of a grant or from activities designed to supplement grant funds. It includes income from program income, gifts, donations, income from wills and /or trusts, the object of which is to benefit the grant-funded project. The income generated is used to expand project services.
  - b. Grant-Related is accounted for in terms of "Program Income" and "Other Income" as follows:
  - c. Program Income - Gross income earned by a contractor from activities the cost of which are partly or entirely borne by the grant. It includes, but is not limited to, income in the form of participant donations for services performed during the contract period, proceeds from the sale of personal or real property, rental fees, royalties, etc.
  - d. Other Income - Income derived from sources other than program income. It includes agency fundraiser efforts to generate money other than grant funds (i.e., auctions, social events, rebates, etc.) Income from fundraising can be used as match or non-match.
2. In the event that the foregoing definition is amended or revised by the Department of Aging, State of California, the City shall notify the Contractor and the Contractor agrees to comply with such amendment(s) or revision(s).

I. Advisory Council

All LADDA funded programs must have an Advisory Council formed within sixty days of contract execution. At least 50% plus one of the membership must be composed of service consumers and shall consist of at least five members, representative of the geographic area to be served and reflective of the ethnic composition of the clientele. The role of the advisory council shall advise the Contractor on a program's operation. The advisory council shall not have legal authority. The advisory council shall maintain a file that contains council minutes and resolutions. (Not applicable to Regional Nutritionist Contractor)

J. Public Information

The Contractor shall provide information about the Contractor's program and other resources for older people in the community through the broad use of available media. Any written materials or publicity generated must identify the City of Los Angeles Department of Aging as its funding source. Public information shall be used to attract new participants, to attract volunteers, to enhance the community's image of older people and to generate new sources of financial support.

K. Volunteer Staff

The Contractor shall use volunteers as part of the overall staff to provide important opportunities for participants and other community members to contribute to the program. A volunteer is an individual who performs a task related to the program without receiving pay for his or her work.

L. Staff and Volunteer Training

The Contractor shall provide training to all staff, paid and volunteer, to assist in developing their abilities, improve their job performance, and to ensure appropriate relationships between staff and participants.

M. Confidentiality

1. 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.
2. The Contractor shall not use such identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.
3. The Contractor shall promptly transmit to the City all requests for disclosure of such identifying information not authorized by the participant.
4. The Contractor shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the participant, any such identifying information to anyone other than the City without prior written authorization from the City.

N. Internal Monitoring

The Contractor shall perform internal monitoring to review and appraise all or part of the program's operations. This monitoring shall be a systematic method to collect and examine data relating to special areas of concern, as well as ongoing aspects of the operation or program. Internal monitoring shall also reveal problems with a specific activity or service, or provide input for planning of the coming period or the rectifying of detected problems.

O. Linkages With Other Agencies

The Contractor shall form cooperative agreements with other community agencies in order to ensure comprehensive and coordinated service delivery and to prevent duplication of services.

P. Property Accountability

The Contractor shall assure that all non-expendable property purchased with Older Californians Act funds provided by previous agreements between the City and the Contractor, and any subsequent amendments

thereto, together with all non-expendable property purchased under the terms of this Agreement, shall remain under the control of the Contractor during the term of this Agreement. All such property shall be accounted for in accordance with the provisions of §504, Property Records, of this Agreement.

Q. Performance Standards

The Contractor agrees that full contract compliance with procedure and protocol established herein as set forth by the Los Angeles Department of Aging and the California Department of Aging will be achieved within 120 days of the start of the contract. The Contractor also agrees that when a performance falls below ninety-five (95) percent or exceeds one hundred and ten (110) percent of the contracted unit of service level for any quarter, a corrective action plan will be developed and submitted to the Los Angeles Department of Aging for review and approval. The plan should include, but not be limited to:

1. Number of units of service needed to restore contractual unit of service compliance (in the case of quantitative noncompliance).
2. Item(s) requiring correction or modification (in the case of qualitative noncompliance).
3. Specific reasons and/or causes, which fully explain such deficient performance.
4. An action plan time frame during which Contractor proposes to restore compliance with the contractual unit of service performance level or qualitative performance standard.

R. Computer/Automation Requirements

1. The Contractor shall agree to the installation of a personal computer and peripheral equipment, software, and telecommunication lines to the LADOA's host computer, at service center site(s) and/or operating agency's administrative office(s), at the discretion of the LADOA as automated systems are developed. Said computer, peripheral equipment, and software are to remain the property of the City of Los Angeles and may be used for other service center functions only after the LADOA mandated systems are satisfied.
2. The Contractor shall obtain fire and theft insurance coverage for replacement of new computer, peripheral equipment, and software from the time of installation to the end of contract. The Contractor shall reimburse LADOA cost of all computers, peripheral equipment, and software from proceeds of insurance claims due to loss of same through fire or theft.
3. The Contractor shall sign a separate itemized listing, which provides for specific identification of computer, peripheral equipment, and software loaned by LADOA; adherence to computer software license agreements; care and usage; specific allowable applications, and date and other conditions of return of equipment to LADOA.
4. The Contractor shall provide trained personnel to operate a personal computer for reporting: Information and Assistance (I & A), Management Information System (MIS), Nutrition and other automated reports as such reporting systems are developed by LADOA.
5. The Contractor shall provide ready access to LADOA personnel during regular working hours for inspection and/or recovery of computer, peripheral equipment, and software.
6. The Contractor shall provide printer paper supplies, printer cartridges/toner, and compact disks (CDs/DVDs).
7. Maintenance of the personal computer, peripheral equipment, and software, loaned to the contractor, shall be the responsibility of LADOA.

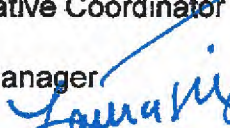


**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

Date: July 23, 2018

To: Honorable Eric Garcetti, Mayor  
City of Los Angeles

Attention: Mandy Morales, Legislative Coordinator

From: Laura Trejo, General Manager  
Department of Aging 

**REQUEST FOR AUTHORITY TO CONTRACT WITH THE CENTER FOR HEALTH CARE RIGHTS (CHCR) FOR THE HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM (HICAP) BUDGET (HI-1718-25) AND FINANCIAL ALIGNMENT (FA-1718-25) GRANT FUNDING**

**CONSIDERATION**

In accordance with Executive Directive No. 3, the Los Angeles Department of Aging (LADOA) requests the Mayor's approval to negotiate and execute a contract with the Center for Health Care Rights for Fiscal Year 2018-2019. The CHCR is the approved service provider for the HICAP and Financial Alignment program. The total HICAP amount for Fiscal Year 2018-2019 will be \$648,888 (\$35,657 in administrative funds and \$613,231 in contracted service provider funds). The total Financial Alignment grant for Fiscal Year 2018-2019 will be \$73,537 (\$7,353 in administrative funds and \$66,184 in contracted service provider funds). Please note that acceptance of both the HICAP and Financial Alignment grant funds for Fiscal Year 2018-2019 were already approved as part of the California Department of Aging (CDA) Standard Agreement (HI-1718-25) for the HICAP program and the CDA Standard Agreement (FA-1718-25) for the Financial Alignment program. These Standard Agreements cover a three year period (Fiscal Years 2017-18, 2018-19, and 2019-20). Both Standard Agreement HI-1718-25 and FA-1718-25 were approved by the City Council and the Mayor Concurred per Council File Number 17-0755. Due to the three year funding allocations represented by these Standard Agreements, this transmittal includes a request to authorize the Controller to appropriate both HICAP and Financial Alignment Fiscal Year 2018-2019 administrative and CHCR contracting amounts.

**RECOMMENDATIONS**

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

1. Authorize the General Manager of the Los Angeles Department of Aging, or designee, to execute a contract with the Center For Health Care Rights based upon both the HICAP Fiscal Year 2018-2019 and Financial Alignment Fiscal Year 2018-2019 grant funding (See Tables 1-3);

2. Authorize the Controller to disburse funds to the Center for Health Care Rights upon submission of proper demand from the General Manager of the Los Angeles Department of Aging, or designee (Based on Tables 1-3);
3. Authorize the General Manager of the Los Angeles Department of Aging, or designee, to prepare Controller's Instructions for any technical adjustments, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement the instructions.
4. Authorize the Controller to:

- A. Establish new accounts and appropriate \$73,537 for the Financial Alignment Program (FY 2018-2019) within the Health Insurance Counseling and Advocacy Program (HICAP) Fund Number 47Y for the period covering from July 1, 2018 to June 30, 2019 as follows:

<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
02R102	Aging	\$ 7,353
02RDD3	Financial Alignment – New	66,184
<b>TOTAL</b>		<b>\$ 73,537</b>

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

<u>Fund</u>	<u>Dept.</u>	<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
From:				
47Y	02	02R102	Aging	\$ 7,353
To:				
100	02	001010	Salaries- General	\$ 7,353

- C. Establish new accounts and appropriate \$648,888 within the Health Insurance Counseling and Advocacy Program (HICAP) Fund Number 47Y for the period covering from July 1, 2018 to June 30, 2019 as follows:

<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
02R102	Aging	\$ 35,657
02RD01	HICAP 9 month	157,564
02RDD1	HICAP 3 month	53,283
02RD12	HICAP 12 month	402,384
<b>TOTAL</b>		<b>\$ 648,888</b>

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

<u>Fund</u>	<u>Dept</u>	<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
From:				
47Y	02	02R102	Aging	\$ 35,657
To:				
100	02	001010	Salaries- General	\$ 35,657

### **NARRATIVE**

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

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

The additional Financial Alignment grant from the Center of Medicare and Medicaid Services (CMS) through the California Department of Aging is to supplement HICAP services. It provides assistance to seniors eligible for both Medicare and Med-Cal in understanding their options and choices under California's Cal MediConnect demonstration project. The grant is to be used for dual eligible and those who opt out or were passively enrolled. Please note the Fiscal Year 2018-2019 CHCR funding amount includes a previously approved HICAP Fiscal Year 2017-2018 Amendment (Amendment Number 1, designated as HI-1718-25 Amendment Number 1). The HICAP and Financial Alignment funding for Fiscal Year 2018 – 2019 is detailed as follows:

Table 1  
HICAP Grant Funding Fiscal Year 2018-2019

<b>HICAP Funding Type</b>	<b>Amount</b>
Aging (Administration Only)	\$ 35,657
HICAP 9 month (Contracted)	\$186,155
HICAP 3 month (Contracted)	\$66,277
HICAP 12 month (Contracted)	\$402,384
HICAP 9 month Reduction Per FY 17-18 Amendment 1 (Contracted)	(28,591)
HICAP 3 month Reduction Per FY 17-18 Amendment 1 (Contracted)	(12,994)
Total HICAP Contracted Funding	\$613,231
<b>Total HICAP Funding 2018-2019</b>	<b>\$ 648,888</b>

**Table 2**  
**Financial Alignment Grant Funding Fiscal Year 2018-2019**

Aging (Administration Only)	\$7,353
CHCR Contracted	\$66,184
<b>Total Financial Alignment Funding</b>	<b>\$73,537</b>

**Table 3**  
**HICAP/Financial Alignment Grant Funding Fiscal Year 2018-2019**

Total Aging (Administration Only)	\$43,010
Total CHCR Contracted	\$679,415
<b>Total HICAP/Financial Alignment Funding</b>	<b>\$722,425</b>

Please note the City Administrative Officer (CAO) Report 0150-10655-0002 discusses the HICAP funding and the CAO Report 0150-10655-0004 discusses the Financial Alignment funding.

**FISCAL IMPACT**

There is no additional impact to the City General Fund.

A copy of this ED3 transmittal with attachments is being forwarded to the City Attorney and the Council on Aging for concurrent review and approval.

LT:JD:MP:DO:ss:n/Transmittals/ED3 CHCR HICAP Grant Funding 072318

**Attachments**

cc: City Attorney  
President, Council on Aging