

SOUTHERN GEORGIA REGIONAL COMMISSION CONTRACT

Contract # **See Annex A**

Contract Period: See **Annex A**

SECTION I:

PARA #101 CONTRACT BETWEEN:

The Southern Georgia Regional Commission (RC), 1725 South Georgia Parkway, West, Waycross, Georgia 31503, designated as the Southern Georgia Area Agency on Aging (AAA), legally empowered to contract pursuant to the Constitution and Laws of Georgia (Official Code of Georgia Annotated, Section 49-2-1), and hereinafter referred to as the RC;

AND

(For name of CONTRACTOR, see Annex A attached hereto)

legally empowered to contract pursuant to the Constitution and laws of Georgia and/or the Georgia Nonprofit Corporation Code, and hereinafter referred to as the CONTRACTOR.

Nothing contained in this contract shall be construed to constitute the CONTRACTOR or any of its employees, agents, or subcontractors as a partner, employee, or agent of the RC, nor shall either party to this contract have any authority to bind the other in any respect, it being intended that each shall remain an independent CONTRACTOR. CONTRACTOR agrees to advise any client served under the terms of this contract of the independent status of the CONTRACTOR and the RC.

PARA #102 RC AND CONTRACTOR AGREEMENTS:

WITNESSETH:

WHEREAS, the RC's AAA has a need for and desires a comprehensive service delivery system comprised of an array of services for the elderly and/or disabled persons in the Southern Georgia Planning and Service Area (PSA), funded by various fund sources. These services are to be rendered in order that elderly and/or disabled Georgians may live independently in their communities for as long as possible thereby preventing premature institutional placement; and

WHEREAS, the CONTRACTOR has represented to the RC's AAA its ability and interest in providing services to the elderly.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth, it is agreed by and between the parties hereto as follows:

A. The CONTRACTOR agrees:

1. That the CONTRACTOR may move and/or close service delivery sites during

the term of this contract only with the prior written approval of the Executive Director of the RC.

2. That the CONTRACTOR will deliver the services described in **Annex A**.
3. That reimbursement of Title III funds for the first quarter (July, August, and September) of this contract year is limited to 25% of total federal and state funds as indicated in **Annex A**.
4. That reimbursement (unit cost or line item) will be as specified in **Annex A**.
5. That reimbursement for all services provided under this contract are performance based, to include quality of services, compliance, and/or the number of units served. CONTRACTOR also agrees that the RC's AAA may withhold reimbursement for low, poor, and/or non-compliance performance and if satisfactory explanations are not provided regarding the provision of units and/or services and the ratio of dollars expended.
6. That the RC's AAA may withhold reimbursement until all outstanding paperwork and/or reporting as required by the State and the RC's AAA is satisfactorily completed by the CONTRACTOR and received by the RC. **PARA #206 Programmatic Report Submissions** and **PARA #207 Expenditure Report Submissions** of this contract provide report submission requirements.
7. That the CONTRACTOR will disclose any agreements between CONTRACTOR and clients receiving services under this contract.
8. That program income (contributions from participants) will be reported to the RC's AAA on the CONTRACTOR's monthly financial reporting form for the same month in which it is contributed. The amount of the program income will be deducted from the CONTRACTOR'S monthly payment. Program income must be tracked separately.
9. That donations from individuals, agencies, organizations, churches, and other entities must be expended in the manner and in the time frame as specified by the donating individual or group. The receipt of these additional funds must be reported to the RC's AAA on the CONTRACTOR's monthly financial reporting form for the same month in which they are received. The amount of the donation will be deducted from the CONTRACTOR's monthly payment. Donations must be tracked separately.
10. That the CONTRACTOR will furnish the required match as indicated in **Annex A**. Requirements for certified cost and/or in-kind match are specified in **PARA #203** of this contract.
11. That the CONTRACTOR will use the DHS, Division of Aging Services, and RC's AAA reporting, information gathering and tracking forms. CONTRACTOR agrees to develop and maintain a separate file on each client

as required by the Division of Aging and the RC's AAA. All required forms will be provided by the RC's AAA under separate cover.

12. That the CONTRACTOR will provide the service(s) as indicated in **Annex A**, Statement of Work at the unit cost specified in **Annex A** (if a unit cost has been established).
13. That the CONTRACTOR agrees to and acknowledges the hearing procedures for grievances as described in **Annex B**.
14. That the CONTRACTOR will use the Uniform Cost Methodology on an annual basis, in accordance with the Division of Aging Services' policies and procedures and the RC's AAA policies and procedures to determine projected costs of contracted services.
15. That the RC's AAA has the right to reduce the amount of this contract. For instance, the RC may exercise this option when projected expenditures are less than the contract amount, for non-performance of duties, or for non-compliance with this contract.

B. THE RC WILL:

1. Assess, monitor, and evaluate progress towards achievement of objectives set forth in all applicable requirements, guidelines, manuals, policies and procedures as required by the Department of Human Services, Division of Aging Services, and the RC's AAA.
2. Provide technical assistance, guidance, consultation, management support and other necessary support.
3. Process programmatic and financial reports and submit to the Department of Human Services, Division of Aging Services for evaluation, dissemination, and reimbursement for the CONTRACTOR.

PARA #103 CONTRACT EXTENSION:

The RC's AAA may extend this contract and/or any part thereof contingent upon availability of funding, CONTRACTOR performance, and resolution of monitoring/audit issues.

PARA #104 NONDISCRIMINATION BY CONTRACTORS AND SUBCONTRACTORS:

- A. NONDISCRIMINATION IN EMPLOYMENT PRACTICES:** The CONTRACTOR agrees to comply with federal and state laws, rules and regulations, including the Department of Human Services, Division of Aging Services' policy and the RC's policy relative to nondiscrimination in employment practices because of political affiliation, religion, race, color, sex, sexual orientation, gender identity, handicap, age, creed, veteran status or national origin. Nondiscrimination in employment practices is applicable to employees, applicants for employment, promotions, demotions,

dismissal, and other elements affecting employment/employees.

- B. **NONDISCRIMINATION IN SERVICE PRACTICES**: The CONTRACTOR agrees to comply with federal and state laws, rules and regulations, including the Department of Human Services, Division of Aging Services' policy and the RC's policy relative to nondiscrimination in consumer/customer/client and consumer/customer/client service practices because of political affiliation, religion, race, color, sex, sexual orientation, gender identity, handicap, age, creed, veteran status or national origin. No individual shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination under any program or activity conducted or supported by the RC.
- C. **COMPLIANCE WITH APPLICABLE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT**: The CONTRACTOR agrees to comply with all applicable provisions of the Americans with Disabilities Act (ADA) and any relevant federal and state laws, rules and regulations regarding employment practices toward individuals with disabilities and the availability/accessibility of programs, activities, or services for consumers/customers/clients with disabilities.
- D. **SUBCONTRACTOR COMPLIANCE**: The CONTRACTOR agrees to require any subcontractors performing services funded through this contract to comply with all provisions of the federal and state laws, rules, regulations and policies described in this paragraph.

PARA #105 CONFIDENTIALITY OF INDIVIDUAL INFORMATION / HIPAA COMPLIANCE:

The CONTRACTOR agrees to abide by all state and federal laws, rules and regulations, and the Department of Human Services, Division of Aging Services, and the RC's policy on respecting the confidentiality of an individual's records. CONTRACTOR further agrees **not** to disclose any information concerning any individual to any unauthorized person without the written consent of the individual employee, client, or responsible parent or guardian.

It is understood and agreed that DHS and the RC are a "covered entities" as defined by the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and the federal "Standards for Privacy of Individually Identifiable Health Information" promulgated thereunder at 45 CFR Parts 160 and 164. Further, it is agreed that as a business associate of the RC that its use or disclosure of any person's protected health information received from or on behalf of the RC will be governed by the Business Associate Agreement, attached hereto as **Annex C**, which the CONTRACTOR agrees to by signing this Contract and otherwise executing the Business Associate Agreement. Such Business Associate Agreement is executed and is effective simultaneously with this Contract/amendment. However, the Business Associate Agreement will survive this Contract/amendment pursuant to paragraph 10B of the Business Associate Agreement.

PARA #106 CONFLICT OF INTEREST:

- A. The CONTRACTOR certifies that the provisions of the Official Code of Georgia

Annotated, Section 45-10-20 through 45-10-29, as amended, which prohibit and regulate certain transactions between certain state officials or employees and the State of Georgia, have not been violated and will not be violated in any respect.

- B. **CODE OF CONDUCT AND CONFLICT OF INTEREST:** No officer, employee, or agent of the CONTRACTOR shall solicit or accept gratuities, favors, or anything of monetary value from suppliers, or potential suppliers, including subcontractors under this contract.

No officer, employee, or agent of the CONTRACTOR shall participate in the selection, award, or administration of a procurement supported by Aging funds where, to the individual's knowledge, any of the following has a financial or other substantive interest in any organization that may be considered for award:

1. the officer, employee, or agent;
2. any member of his or her immediate family;
3. his or her partner; or
4. a person or organization which employs, or is about to employ, any of the above.

- C. **OFFICIALS NOT TO BENEFIT:** No member of or delegate to a State or area Advisory Council shall be admitted to any share or part of this contract, or to any benefit that may arise there from; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

PARA #107 CONTRACT MODIFICATION/ALTERATION:

- A. Bilateral modification may occur as needed when such modification is requested in writing and signed by both parties and affixed to this contract as an amendment indicating the RC's AAA contract number involved and the paragraph(s) being modified or superseded.
- B. Unilateral modification by the RC's AAA may occur in the event that either of the sources of reimbursement for services under this contract (appropriations from the General Assembly of the State of Georgia or the Congress of the United States of America) are increased or reduced during the term of this contract, the RC has the absolute right to make financial and other adjustments to this contract and to notify the CONTRACTOR accordingly. Such adjustment(s) may require a contract amendment including, but not limited to, a termination of the contract. A certification by the RC's Executive Director of the occurrence of either of the increases or reductions stated above shall be conclusive.
- C. Unilateral modification by the RC's AAA may occur in cases of non-compliance, unreasonable delays, non-performance, or under-performance. Planned performance shall be monitored against actual performance on a quarterly basis. Under-performance in any quarter shall constitute CONTRACTOR approval of unilateral reduction in funds to the level of actual performance.

- D. Unilateral modification by the RC's AAA may occur when cost data during contract negotiations was not accurate, complete or current. A unilateral modification by the RC's AAA may occur when a federal or state requirement has been added, revised, or amended during the period of performance or became effective during the period of performance.

PARA #108 RC'S RIGHT TO SUSPEND CONTRACT:

The RC reserves the right to suspend the contract/sub-grant in whole or in part under this contract provision if it appears to the RC's AAA that the CONTRACTOR is failing to substantially comply with the quality of service or the specified completion schedule of its duties required under this contract, and/or to require further proof of reimbursable expenses prior to payment thereof, and/or to require improvement, at the discretion of the RC's AAA, in the programmatic performance of service delivery.

PARA #109 SEVERABILITY:

Any section, subsection, paragraph, term, condition, provision or other part (hereinafter collectively referred to as "part") of the contract that is judged, held, found, or declared to be voidable, void, invalid, illegal or otherwise not fully enforceable shall not affect any other part of the contract, and the remainder of this contract shall continue to be of full force and effect. Any agreement of the parties to amend, modify, eliminate, or otherwise change any part of the contract shall not affect any other part of this contract, and the remainder of this contract shall continue to be of full force and effect.

PARA #110 TERMINATION:

- A. Due to non-availability of funds. Notwithstanding any other provision of this contract, in the event that either of the sources of reimbursement for services under this contract (appropriations from the General Assembly of the State of Georgia or the Congress of the United States of America) no longer exist or in the event the sum of all obligations of the RC's AAA incurred under this and all other contracts entered into for this program exceeds the balance of such contract sources, then this contract shall immediately terminate without further obligation of the State or the RC as of that moment. A certification by the Executive Director of the RC of the occurrence of either of the events stated above shall be conclusive.
- B. Due to default or for cause. This contract may be terminated for cause, in whole or in part, at any time by the RC's AAA for failure of the CONTRACTOR to perform any of the provisions hereof. Should the RC exercise its right to terminate this contract under the provisions of this paragraph, the termination shall be accomplished in writing and specify the reason and the termination date. The CONTRACTOR will be required to submit the final contract expenditure report no later than 30 days after the effective date of written notice of termination. Upon termination of this contract, the CONTRACTOR shall not incur any new obligations after the effective date of the termination and shall cancel as many outstanding obligations as possible. The above remedies are in addition to any other remedies provided by law or the terms of this contract.

- C. For Convenience. This contract may be canceled or terminated by either of the parties without cause; however, the party seeking to terminate or cancel this contract must give written notice of its intention to do so to the other party at least thirty (30) days prior to the effective date of cancellation or termination.
- D. Notwithstanding any other provision of this paragraph, this contract may be immediately terminated without any opportunity to cure, if any of the following events occur:
1. CONTRACTOR becomes insolvent of liquidation or dissolution or a sale of the contractor's assets begins.
 2. CONTRACTOR or any subcontractor violates or fails to comply with any applicable provision of federal or state law or regulation.
 3. CONTRACTOR or any subcontractor knowingly provides fraudulent, misleading or misrepresentative information to any consumer/customer/client of DHS or to DHS.
 4. CONTRACTOR has exhibited an inability to meet its financial or service obligations under this contract.
 5. A voluntary or involuntary bankruptcy petition is filed by or against the CONTRACTOR under the U.S. Bankruptcy Code or any similar petition under any state insolvency law.
 6. An assignment is made by the CONTRACTOR for the benefit of creditors.
 7. A proceeding for the appointment of a receiver, custodian, trustee, or similar agent is initiated with respect to the CONTRACTOR.
 8. The RC deems that such termination is necessary if the CONTRACTOR or any subcontractor fails to protect or potentially threatens the health or safety of any consumer/customer/client and/or to prevent or protect against fraud or otherwise protect the State of Georgia personnel, consumers/customers/ clients, facilities, or services.
 9. CONTRACTOR is debarred or suspended from performing services on any public contracts and/or subject to exclusion from participation in the Medicaid or Medicare programs.
 10. CONTRACTOR loses or has any license, certification or accreditation sanctioned that is required by this Contract or state and federal laws.

PARA #111 COOPERATION IN TRANSITION OF SERVICES:

The CONTRACTOR agrees upon termination of this contract, in whole or in part, for any reason will cooperate as requested by the RC and/or DHS to effectuate the smooth and reasonable transition of the care and services for consumers/customers/clients as directed by the RC. This will include but not be limited to the transfer of the consumer/customer/client records, personal belongings, and funds of all consumers/customers/clients as directed by the RC and/or DHS. CONTRACTOR further agrees that should it go out of business and/or cease to operate, all original records of consumers/customers/clients served pursuant to this contract shall be transferred by the CONTRACTOR to the RC and/or DHS immediately and shall become the property of the RC or DHS. Unless otherwise specified in this Contract, CONTRACTOR shall effectuate and accomplish transition at no

cost to the RC.

PARA #112 FORCE MAJEURE:

Each party will be excused from performance under this contract to the extent it is prevented from performing, in whole or in substantial part, due to delays caused by an act of God, civil disturbance, civil or military authority, war, court order, acts of public enemy, and such nonperformance will not be default under this contract nor a basis for termination for cause. Nothing in this paragraph shall be deemed to relieve the contractor from its liability for work performed by any subcontractor. If the services to be provided to the RC and/or DHS are interrupted by a force majeure event, the RC will be entitled to an equitable adjustment to the fees and other payments due under this contract.

PARA #113 ACCESS TO RECORDS AND INVESTIGATION / INSPECTION OF WORK PERFORMED:

- A. The state and federal government, the Department of Human Services, and the RC shall have full and complete access to consumer/customer/client records, administrative records, financial records, pertinent books, documents, papers, correspondence, including e-mails, management reports, memoranda, and any other records of the CONTRACTOR and subcontractor for the purpose of conducting or reviewing audit examinations, excerpts, and transcripts. CONTRACTOR and subcontractor record retention requirements are seven years from submission of final expenditure report. If any litigation, claim, or audit is started before the expiration of the seven-year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.
- B. The CONTRACTOR agrees that the RC, and/or the DHS Office of Fraud and Abuse (upon the request), has full authority to investigate any allegation of misconduct in performance of duties arising from this contract made against an employee of the CONTRACTOR. The CONTRACTOR agrees to cooperate fully in such investigations by providing RC and/or the Office of Fraud and Abuse full access to its records and by allowing its employees to be interviewed during such investigations.
- C. The RC shall have the right to monitor and inspect the operations of the CONTRACTOR and any subcontractor for compliance with the provisions of the contract and all applicable federal and state laws and regulations, with or without notice, at any time during the term of this contract. The CONTRACTOR agrees to cooperate fully with these monitoring and inspection activities. Such monitoring and inspection activities may include, without limitation, on-site health and safety inspections, financial and behavioral health/clinical audits, review of any records developed directly or indirectly as a result of the contract, review of management systems, policies and procedures, review of service authorization and utilization activities, and review of any other areas, activities or material relevant to or pertaining to this contract. The RC will provide the CONTRACTOR with a report of any findings and recommendations and may require the CONTRACTOR to develop corrective action plans as appropriate. Such corrective action plans may include requiring the CONTRACTOR to make changes in service authorization, utilization practices,

and/or any activity deemed necessary by the RC.

- D. The CONTRACTOR agrees to make available at all reasonable times during the period set forth below any of the records of the contracted work for inspection or audit by any authorized representative of the Georgia State Auditor or other authorized federal or state agency. Contractor shall preserve and make available its records for a period of seven years from the date of final payment under this Contract and for such period, if any, as is required by applicable statute, or by any other paragraph of this Contract. If the Contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of seven years from the date of any resulting final settlement. Records that relate to appeals, litigation, or the settlements of claims arising out of the performance of this Contract, or costs and expenses of any such agreement at to which exception has been taken by the State Auditor, other authorized federal or state agency, or any of their authorized representatives, shall be retained for a period of seven years by CONTRACTOR after such appeals, litigation, claims, or exceptions have been resolved.

PARA #114 COLLECTION OF AUDIT EXCEPTIONS:

The CONTRACTOR agrees that the RC may withhold net payments (voucher deduction) equal to the amount that has been identified by an audit, notwithstanding the fact that such audit exception is made against a prior or current contract or subcontract. The CONTRACTOR may also repay the RC for the total exception by check.

PARA #115 SUBCONTRACTS:

The CONTRACTOR will be responsible for the performance of any subcontractor to whom any duties are delegated under any provision of this contract.

- A. The CONTRACTOR agrees to reimburse the RC for any federal or state audit disallowances arising from the subcontractor's performance or non-performance of duties under this contract which are delegated to the subcontractor.
- B. If the CONTRACTOR subcontracts for the provision of any deliverables pursuant to this contract, the CONTRACTOR agrees to include the following in each subcontract:
1. Stipulations that the CONTRACTOR is required to adhere to each provision of this contract related to the quality and quantity of deliverables, compliance with state and federal laws and regulations, confidentiality, auditing, access to records and contract administration.
 2. A clear statement of the service or product being acquired through said subcontract with detailed description of cost.
- C. The CONTRACTOR shall promptly pursue, at its own expense, appropriate legal and equitable remedies against any subcontractor who fails to adhere to the contract requirements. The CONTRACTOR'S failure to proceed against a subcontractor will

constitute a separate breach by the CONTRACTOR in which case the RC or DHS may pursue appropriate remedies as a result of such breach.

PARA #116 PUBLICITY:

The CONTRACTOR will ensure that any publicity given to the program or services provided herein identify the Department of Human Services and the RC's AAA as sponsoring agencies. Publicity materials include, but are not limited to, signs, notices, information pamphlets, press releases, brochures, radio or television announcements, or similar information prepared by or for the CONTRACTOR. The CONTRACTOR must receive prior approval from the RC's AAA to use the materials. All media and public information materials must also be approved by the DHS Commissioner's Office of Policy and Government Services, Office of Communications. In addition, the CONTRACTOR shall not display the Department of Human Services or the RC's name or logo in any manner, including, but not limited to, display on the CONTRACTOR'S letterhead or physical plant, without the prior written authorization of the DHS Commissioner and the RC.

PARA #117 INTANGIBLE PROPERTY, INVENTIONS, PATENTS, AND COPYRIGHTS:

- A. Inventions and patents. The CONTRACTOR agrees if patentable items, patent rights, processes, or inventions are produced in the course of work supported and funded by this contract, to report such facts in writing promptly and fully to the RC and the Department of Human Services. The federal agency and the DHS shall determine whether protection of the invention or discovery shall be sought. The federal agency and DHS will also determine how the rights to the invention or discovery, including rights under any patent issued thereon, shall be allocated and administered in order to protect the public interest consistent with Government Patent Policy.
- B. Copyrights. Except as otherwise provided in the terms and conditions of this contract, the Department of Human Services is free to copyright any books, publications, or other copyrightable materials developed in the course of, or under this contract. Should any copyright materials be produced as a result of this contract, the federal agency and the DHS shall reserve a royalty-free nonexclusive and irrevocable right to reproduce, modify, publish, or otherwise use and to authorize others to use the work for government and departmental purposes.
- C. Publications. All publications, including pamphlets, art work, and reports shall be submitted to the RC on disk or electronically.

PARA #118 CONSULTANT/STUDY CONTRACT:

- A. The CONTRACTOR agrees not to release any information, findings, research, reports, recommendations, or other material developed or utilized during or as a result of this contract until such time as the information has been provided to the RC and the Department of Human Services, appropriately presented to the Board of Human Services, and made a matter of public record.

- B. The CONTRACTOR further agrees that any research, study, review, or analysis of the consumers/customers/clients served under this contract by any outside individual or organization must be conducted in conformance with DHS Policy 7901, Protection of Human Subjects.
- C. All products developed/collected including raw data, databases, including code specifications shall be the property of the RC and DHS and may be subject to review and validation by RC and/or DHS prior to completion of study.

PARA #119 CONTRACTOR/SUBCONTRACTOR LICENSE REQUIREMENTS:

- A. The CONTRACTOR agrees to maintain any required city, county, and state business licenses and any other special licenses required, prior to and during the performance of this contract.
- B. The CONTRACTOR is responsible to ensure that subcontractors are appropriately licensed.
- C. The CONTRACTOR agrees that if it loses or has sanctioned any license, certification, or accreditation required by this contract or state or federal laws, that this contract may be terminated immediately in whole or in part.

PARA #120 DRUG-FREE WORKPLACE:

- A. If CONTRACTOR is an individual, he or she hereby certifies that he or she will not engage in the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana during the performance of this contract.
- B. If CONTRACTOR is an entity other than an individual, it hereby certifies that:
 - (1) A drug-free workplace will be provided for the CONTRACTOR'S employees during the performance of this contract; and
 - (2) It will secure from any subcontractor hired to work in a drug-free workplace the following written certification: "As part of the subcontracting agreement with (Contractor's Name), (Subcontractor's Name), certifies to the CONTRACTOR that a drug-free workplace will be provided for the subcontractor's employees during the performance of this contract pursuant to paragraph 7 of subsection B of Code Section 50-24-3."
- C. CONTRACTOR may be suspended, terminated, or debarred if it is determined that:
 - (1) The CONTRACTOR has made false certification hereinabove; or
 - (2) The CONTRACTOR has violated such certification to carry out the requirements of Official Code of Georgia Section 50-24-3.

PARA # 121 FEDERAL PROHIBITIONS AND REQUIREMENTS RELATED TO LOBBYING:

A. Pursuant to Section 1352 of Public Law 101-121, the CONTRACTOR, by signing **Annex G**, agrees that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. As a condition of receipt of any federal contract, grant, loan, or cooperative agreement exceeding \$100,000, the CONTRACTOR shall file with the RC a signed "Certification Regarding Lobbying."
3. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the CONTRACTOR shall complete and submit the Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instruction, copies of which may be obtained from the RC's AAA.
4. A disclosure form will be filed at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by the CONTRACTOR under subparagraphs "b" or "c" of this paragraph. An event that materially affects the accuracy of the information reported includes:
 - a. A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action; or
 - b. A change in the person(s) or individual(s) influencing or attempting to influence a covered federal action; or
 - c. A change in the officer(s), employee(s), or member(s) contracted to influence or attempt to influence a covered federal action.

Any CONTRACTOR who makes a prohibited expenditure or who fails to file or amend the disclosure form, as required, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

An imposition of a civil penalty under this section does not prevent the United States from seeking any other remedy that may apply to the same conduct that is the basis

for the imposition of such civil penalty.

The CONTRACTOR shall require that the prohibitions and requirements of this paragraph be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

B. The CONTRACTOR further agrees that in accordance with the federal appropriations act:

1. No part of any federal funds contained in this contract shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television, Internet, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.
2. No part of any federal funds contained in this contract shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.
3. The CONTRACTOR further agrees that no part of state funds contained in this contract shall be used for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television, Internet, or video presentation designed to support or defeat legislation pending before the General Assembly or any committee thereof, or the approval or veto of legislation by the Governor or for any other purposes.

PARA #122 CRIMINAL RECORDS INVESTIGATIONS:

- A. The CONTRACTOR agrees that, for the filling of positions or classes of positions having direct care/treatment/custodial responsibilities for services rendered under this contract, applicants selected for such positions shall undergo a criminal record history investigation which shall include a fingerprint record check pursuant to the provisions of Section 49-2-14 of the Official Code of Georgia Annotated. Fingerprint record checks shall be submitted via Live Scan electronic fingerprint technology via the Georgia Applicant Processing Services (GAPS) system. The CONTRACTOR must register with the GAPS at www.aps.gemalto.com/ga/index.htm and follow the instructions provided on the website.

For positions that do **not** involve direct care, treatment, custodial responsibilities, or any combination thereof for its clients under this Contract, CONTRACTOR agrees that applicants selected for such positions are required to complete a fingerprint-base State of Georgia background check only. Fingerprint record checks shall be submitted via Live Scan electronic fingerprint technology via the GAPS system. CONTRACTOR must register with the GAPS at www.aps.gemalto.com/ga/index.htm

and follow the instructions provided on the website.

- B. Pursuant to O.C. G. A. § 49-2-14, after receiving and reviewing the criminal history report generated through the GAPS process, the Department of Human Services (DHS) will advise the CONTRACTOR if the applicant is eligible or not eligible to provide services to the department. Said advisement will be accomplished through a fitness determination letter issued by DHS Office of Inspector General Background Investigations Unit (OIG BIU) within fifteen (15) days of receiving the criminal history record. Circumstances may extend said fifteen (15) days if OIG BIU determines that the applicant's criminal history record needs further review. If it is determined that the applicant is **not** eligible to provide services to the Department, said applicant will **not** be eligible to provide services to the Department under any circumstances.
- C. The provisions of paragraphs A and B of this contract shall **not** apply to:
1. Persons employed in day-care centers, group day-care homes, family day-care homes, or child care learning centers which are required to be licensed, registered, or commissioned by the Department of Human Services or by the Georgia Department of Early Care and Learning; or
 2. Personal care homes required to be licensed, permitted, or registered by the Department of Community Health.

PARA #123 AIDS POLICY:

The CONTRACTOR agrees, as a condition to provision of services to the Department of Human Services consumer/customer/client/patient, not to discriminate against any consumer/customer/client/patient who may have AIDS or be infected with Human Immunodeficiency Virus (HIV). The CONTRACTOR is encouraged to provide or cause to be provided appropriate AIDS training to its employees and to seek AIDS technical advice and assistance from the RC and appropriate division or office of the DHS, as the CONTRACTOR deems necessary. The CONTRACTOR further agrees to refer those clients/patients requesting additional AIDS related services or information to the appropriate county health department.

PARA #124 HOLD HARMLESS AGREEMENT:

The parties each agree to be responsible and liable for, and to hold each other harmless from and against any and all suits, legal proceedings, claims, demands, damages, cost and expenses, including attorney's fees, arising out of or in connection with or claimed to arise out of or in connection with any negligent or wrongful error, omission or act of a party or anyone acting in its behalf in connection with or incident to this contract, or as a result of any failure of such party to properly carry out its responsibilities under this contract.

PARA #125 DEBARMENT:

In accordance with Executive Order 12549, Debarment and Suspension, and implemented at 45 CFR Part 76, 100-510, CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any federal department or agency. CONTRACTOR further agrees that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier transactions and in all solicitations for lower tier covered transactions, and have any Lower Tier Contractor sign a certification in the form as set forth in Annex F hereto.

PARA #126 PROPERTY MANAGEMENT REQUIREMENTS:

The CONTRACTOR agrees:

- A. That all non-expendable personal property purchased, in total or in part, with funds received from the RC during the term of this contract and all previous contracts is property of the State of Georgia and the Department of Human Services and is subject to the rules and regulations of the Department of Human Services throughout the life and disposition of said property. Said property cannot be transferred or otherwise disposed of without prior written approval of the DHS Asset Services Section and the RC's AAA.
- B. To adhere to all policies and procedures as promulgated in the DHS Administrative Policy and Procedures Manual, Part IX, the Property Management Manual, and, if applicable, the Vehicle Management Manual, which are by reference made a part of this contract. The CONTRACTOR understands and will comply with the requirements for inventory of property (at least every two years) and the control system to safeguard against loss, damage or theft as contained in the property manual.
- C. That property records shall be maintained accurately and reported on Form #5111, Detailed Equipment Listing, within 25 days after acquisition of such property, to the RC's AAA (that will report to the Division of Aging Services). The DHS division/office (Division of Aging) will then forward the completed form # 5111 to the DHS Asset Services Section. For any State of Georgia-owned vehicles operated under this contract, the CONTRACTOR agrees to submit to the RC's AAA the Utilization and Data Report furnished by the Asset Services Section in accordance with the DHS Vehicle Management Manual, Chapter 4, Part G.
- D. In the event that contract is terminated prior to expiration or is not renewed, the CONTRACTOR agrees to properly dispose of all state property as follows.
 - 1. Prepare Form 5086, Equipment Status Change form, listing all state equipment in the CONTRACTOR'S possession and send this form to the RC's AAA for final disposal determination.
 - 2. Upon notification by the Office of Technology and Support through the RC's

AAA, the CONTRACTOR agrees to transport the state property to the designated state surplus facility. Expenses incurred by the CONTRACTOR in transporting this equipment may be charged to the terminated contract.

PARA #127 DOCUMENTATION OF RENT COST:

- A. All CONTRACTOR budgeted rent line items or maintenance in lieu of rent line items on privately owned buildings must be supported by three separate statements of comparable rent.
- B. Public facility maintenance in lieu of rent budgeted by the CONTRACTOR must be supported by a local statement of service and maintenance cost in lieu of rent in public buildings and by three separate statements of comparable rent. Rent per se is not applicable for publicly owned facilities/buildings unless newly occupied on or after October 1, 1980, in accordance with 2 CFR 200.

PARA #128 VIOLATIONS OF THIS CONTRACT:

The RC will impose sanctions and/or penalties for violations or breaches of the terms of this contract. Sanctions and penalties include, but are not limited to, the following:

- A. Withholding payment to the CONTRACTOR until the violation has been corrected;
- B. Disallowance of costs associated with or created by the violation;
- C. Deobligation of funds from this contract;
- D. Termination of this contract in accordance with **PARA # 110**.

PARA #129 SAFE FACILITIES:

The CONTRACTOR agrees that each facility used for the delivery of services to the clients under this contract will be physically and environmentally safe and have an annual fire and health inspection, as appropriate, and that the reports of these inspections will be conspicuously posted at the facility location.

PARA # 130 COMPLIANCE WITH FEDERAL AND STATE IMMIGRATION LAWS:

The CONTRACTOR agrees to comply with O.C.G.A. Sec. 13-10-90 *et seq.* regarding security and immigration compliance, and that the CONTRACTOR has registered with, is authorized to use, uses, and will continue to use the federal work authorization program. The CONTRACTOR also agrees that throughout the performance of this Contract, including renewal options, if any, exercised by the RC, CONTRACTOR will remain in full compliance with all federal and state immigration laws, including but not limited to O.C.G.A. §13-10-91.

The CONTRACTOR certifies by signing and providing the sworn affidavit titled Security and Immigration Affidavits, attached hereto as Annex D, that CONTRACTOR will comply with O.C.G.A. Sec. §13-10-90 *et seq.*, and will certify the same upon the exercise of each renewal option, if any, by the RC. Furthermore, CONTRACTOR agrees to include the provisions contained in the foregoing paragraph in each subcontract and sub-subcontract for services hereunder, require and obtain a sworn affidavit in the applicable format set forth

in the Annex titled Security and Immigration Affidavits at the initiation of and throughout the contract period, and retain the affidavit(s) in accordance with the record retention requirements of this Contract.

PARA #131 CRITICAL INCIDENT REPORTING ("CIR"):

The CONTRACTOR has the responsibility for ensuring the health and safety of clients/consumers/customers served under this Contract is not placed in any jeopardy. Therefore, the CONTRACTOR shall have an effective response system when critical incidents occur. This responsibility includes, but is not limited to, any and all subcontractors employed by the CONTRACTOR to provide services pursuant to this Contract.

- A. In the case of an emergency, CONTRACTOR shall call the appropriate local emergency medical services, police, or fire services (i.e., 911).
- B. CONTRACTOR shall have a formal written critical incident reporting procedure that is approved by the licensing or certification authority, if applicable.
- C. CONTRACTOR is responsible for taking necessary actions to protect clients from any possibility of harm. In doing this, CONTRACTOR should preserve possible evidence for an investigation if one is to be conducted.
- D. CONTRACTOR must notify the appropriate RC staff of the critical incident and results of any immediate action taken. CONTRACTOR is expected to notify local law enforcement authorities in any situation where there is a potential violation of criminal law.
- E. The RC will determine whether the CONTRACTOR's actions were appropriate and sufficient, and/or whether additional corrective actions are warranted. In investigating a Critical Incident, the RC will determine:
 - 1. Whether or not client's health, safety and welfare are adequately protected;
 - 2. That the response to the situation and event was reasonable and appropriate;
 - 3. That the CONTRACTOR's procedures and system for responding to such incidents were adequate; and that relevant steps to prevent similar situations were taken;
 - 4. That CONTRACTOR and/or its staff or subcontractors involved in the incident appear to be adequately trained or that additional training needed is to be provided pursuant to the Critical Incident Report;
- F. CONTRACTOR agrees to cooperate with the RC in its investigations of Critical Incidents, and implement corrective actions necessary to ensure the safety and well-being of the individuals served under this Contract.
- G. Each CONTRACTOR shall post a "Notice Concerning Critical Incidents Reporting."

The signage shall be produced by the CONTRACTOR or RC and shall conform in content to the sample Annex E attached to this contract. The Notice must be posted in a conspicuous, common area accessible to clients/consumers/customers, and the general public.

All other reporting procedures and the timelines of other required reports will remain in force and are not replaced or superseded by the CIR process.

CONTRACTOR shall not use or disclose any information received during the investigation of a critical incident for any purpose not connected with the administration of CONTRACTOR's or the RC's responsibilities under this Contract, except with the informed, written consent of the client or the client's legal guardian, as required by law.

SECTION II

PARA #201 TYPE OF PAYMENT

The budget with fund source(s) as identified in Annex A, is made a part of this contract. For cost reimbursable contracts, the Uniform Cost Methodology Spreadsheet identifies the line items for which reimbursement may be made. For unit cost contracts, payments will be made based on the unit cost identified in Annex A.

PARA #202 BUDGET LIMITATION:

- A. The maximum reimbursement to the CONTRACTOR will not exceed the total state and federal funds in this contract.
- B. Budget revisions are necessary in the following situations:
 - 1. When the scope or objectives of the program change.
 - 2. When the line item expenditures are expected to exceed 10% of the previously approved line item of budgets. In the event that expenditures for a line item are expected to exceed these limits, a budget revision must be submitted to and approved by the RC's AAA in advance. Reimbursement will only be made if the budget revision was filed and approved in writing prior to the expenditure of the funds and does not exceed the total approved budget for this contract. However, a plus or minus deviation of 10% within budget line items except "equipment" is authorized. (There is a 0% over expenditure tolerance for an "equipment" line item.)
- C. Within 30 days from the date of receipt of a request for line item budget revision approval, the RC's AAA will review the request and notify the CONTRACTOR of its decision if the decision can be made at the RC's AAA level. Line item revisions to budgets are reported directly to the Division of Aging in the Aging Information Management System (AIMS).

PARA #203 REQUIREMENTS FOR CERTIFIED COST AND/OR IN-KIND MATCH:

- A. The CONTRACTOR agrees to provide the required local match (certified cost and/or in-kind) as indicated in **ANNEX A**. The CONTRACTOR agrees to report the local match as well as "in-kind support" to the RC's AAA on the required expenditure report as per 45 CFR - Part 74.61(b) and 74.53(d). ("In-kind support" is cash or in-kind furnished or donated to the programs over and beyond the required applicable match which would otherwise have to be reimbursed by Aging funds if the "in-kind support" was not available.) Verifiable accounting records that adequately identify certified cost must be maintained. Allowability of certified cost/cash contributions and in-kind match valuations shall be determined under the provisions of the appropriate federal cost principles.
- B. The state term "certified cost" and the federal term "cash contributions" are synonymous terms and are defined below:
- Cash Contributions: Cash contributions represent the CONTRACTOR'S cash outlay, including the outlay of money contributed to the CONTRACTOR by other public agencies and institutions, and private organizations and individuals. When specifically authorized in writing by federal legislation, federal funds received from other grants may be considered as grantee's cash contribution.
- C. The State and Federal term "in-kind match" is synonymous and is defined below:
- In-kind Contributions: In-kind contributions represent the value of non-cash contributions provided by (1) CONTRACTOR, (2) other public agencies and institutions, and (3) private organizations and individuals. In-kind contributions may consist of charges for real property and equipment, and value of goods and services directly benefiting and specifically identifiable to this contract. When specifically authorized in writing by federal legislation, property purchased with federal funds may be considered as grantee's in-kind contribution.
- D. The following requirements pertain to the CONTRACTOR'S supporting records for in-kind contributions from private organizations and individuals:
- a. The number of hours of volunteer services must be supported by the same methods used by the grantee for its employees.
 - b. The basis for determining the charges for personal services, materials, equipment, buildings and land must be documented.
- E. The CONTRACTOR further agrees to maintain accounting records relative to certified cost/in-kind match in such a manner as to specifically identify each detailed accounting transaction to this specific contract and that these records will be available for the RC's AAA, the Georgia Department of Human Services, Division of Aging Services, Department of Audits and/or Federal auditors to review.
- F. The CONTRACTOR agrees to submit a monthly certified cost report by fund source for each program (DHS Form #5215, Report of Certified or In-Kind Costs) not later

than the 5th working day following the end of each month during the term of this contract unless otherwise specified in this contract. Form 5215 will be provided under separate cover.

- G. The CONTRACTOR that utilizes subcontractor provided in-kind match or certified cost match will support their Form #5215 report with copies of the subcontractor's Form #5215, Report of Certified or In-Kind Costs. This also includes required match and "in-kind support" by fund source for each program.
- H. The CONTRACTOR'S and its subcontractor's Form #5215 agree to include and report all "in-kind support" to the RC's AAA even when there is no required match applicable to a fund source.

PARA #204 ADVANCE OF FUNDS

- A. Any advance of federal and state funds permitted by the Department of Human Services, Division of Aging Services, and the RC under this contract must be returned to the Department prior to the end of the contract period. Requests for advances must be submitted to the RC's AAA prior to March 15 of the current program year to receive an advance for the next program year. The CONTRACTOR further agrees that upon termination of this contract for any reason, all unexpended funds held by the CONTRACTOR shall revert to the RC. Receipt of advance of funds by the CONTRACTOR requires a fidelity/assurance bond and the "advance of funds" will be separately recorded in the CONTRACTOR'S accounting records as a unique liability account for advanced funds from the RC. The CONTRACTOR further agrees that the "advance of funds" will be repaid in three equal installments during March, April, and May of the contract period unless the RC approves another repayment schedule. The CONTRACTOR must submit a copy of the fidelity/assurance bond to the RC's AAA prior to the RC issuing advance funds.
- B. Should any interest be earned on funds that were advanced by the RC, the CONTRACTOR will report and apply the interest to the cost of this contract prior to making a reimbursement request to the RC's AAA.

PARA #205 FIDELITY BOND:

- A. The person who executes this contract and those having the responsibility for the expenditure of funds made available under this contract shall be required to post a fidelity bond in an amount sufficient to assure sound fiscal practices in order to assure the Federal Government, the State, and the RC against loss of funds coming into their possession under the terms of this contract. Such bond shall be payable to, or shall benefit the Southern Georgia Regional Commission. The dollar amount of the fidelity bond shall be determined through use of the DHS Schedule of Fidelity/Assurance Bonds.
- B. Fidelity bonds shall be obtained from companies holding certificates of authority as acceptable sureties (31 CFR Part 223). A list of these companies is published annually by the Federal Department of the Treasury in its Circular 570.

PARA #206 PROGRAMMATIC REPORT SUBMISSIONS:

- A. The CONTRACTOR agrees to submit a monthly programmatic/performance statistical report in the form and manner specified by the Division of Aging Services and the RC's AAA. This report, with the exception of the Community Care Services Program as described below (Item B), must be received not later than the close of business of the fifth (5th) working day after the end of each month of service during the term of this contract. Programmatic reporting forms will be provided under separate cover.
- B. The monthly programmatic report required of the Community Care Services Program CONTRACTOR must be received by the RC's AAA not later than the close of business of the fourth (4th) working day after the end of each month of service during the contract. The programmatic report will be provided under separate cover.
- C. The CONTRACTOR further agrees to submit to the RC's AAA a quarterly programmatic report, if required. This quarterly report must be received not later than the close of business of the seventh (7th) working day after the end of each quarter. The required quarterly report forms will be provided under separate cover.
- D. Failure to submit programmatic and/or expense reports to the RC's AAA by the deadlines specified above may result in a delay in reimbursement for services.
- E. The CONTRACTOR also agrees to submit any other programmatic reports in the form and manner as specified by the RC's AAA. Failure to submit requested information may result in a delay in reimbursement.
- F. The CONTRACTOR also agrees to submit a "final supplemental/13th month" programmatic report on this contract, if required, not later than 30 calendar days following the end of the program year or the contract termination date. A request for reimbursement will not be honored if the programmatic reporting requirements have not been completed satisfactorily.

PARA #207 EXPENDITURE REPORT SUBMISSIONS:

- A. The CONTRACTOR agrees to submit a monthly reimbursement request in the form and manner as specified by the Division of Aging Services and the RC's AAA to be received by the RC's AAA not later than the close of business of the fifth (5th) working day after the end of the month of service during the term of this contract. Monthly reporting form(s) will be provided under separate cover.
- B. The RC's AAA may withhold reimbursement if satisfactory explanations are not provided regarding the provision of services provided and dollars expended. Failure to submit programmatic and/or expense reports to the RC's AAA on time may result in a delay in reimbursement for services.
- C. The CONTRACTOR further agrees to submit the "final supplemental/13th month"

expenditure report on this contract, if required, not later than 30 calendar days following the end of the program year of the contract termination date. Any reimbursement request submitted after said 30 days will not be paid by the RC's AAA. The reporting form for the "final supplemental/13th month" report is the same as the monthly reporting forms.

SECTION III

PARA #301 CONTRACTOR COMPLIANCE WITH STATE AND FEDERAL LAWS, RULES, REGULATIONS AND STANDARDS:

The CONTRACTOR agrees that all work done as part of this contract will comply fully with all administrative and other requirements established by applicable federal and state laws, rules and regulations, and assumes responsibility for full compliance with all such laws, rules and regulations, and agrees to fully reimburse the RC for any loss of funds or resources resulting from non-compliance by the CONTRACTOR, its staff, agents, or subcontractors as revealed in any subsequent audits. CONTRACTOR understands that the following items, as relevant to the service(s) to be provided, apply to this contract, but do not exclude any other applicable federal or state laws or requirements.

- A. 45 CFR Part 74; as used in this contract, the word CONTRACTOR is synonymous with the word Subgrantee as used in this Code of Federal Regulations.
- B. The federal cost principles for determining allowable costs under this contract is 2 CFR 200.
- C. Fair Labor Standards Act of 1938, as amended.
- D. Georgia DHS Division of Aging Services Programmatic Policies and Procedures, Standards and Guidelines for Area Agencies on Aging, as amended.
- E. Community Care Services Program Policies and Procedures, as amended.
- F. Brookdale Model Guidelines: How to Start and Manage a Group Activities and Respite Program for People with Alzheimer's and their Families.
- G. 45 CFR Part 92
- H. Federal Programmatic Regulations (as applicable to the service to be provided):
 - 1. Title III - 45 CFR Part 1321, Administration on Aging, Older Americans Program, and Older Americans Act of 1965, as amended, Section 311, 42 U.S.C. 3030a, Section 604, 42 U.S.C. 3057c; Agriculture and Consumer Protection Act of 1973, as amended, Section 4(a), 7 U.S.C. 612c note; Agricultural Act of 1949, as amended, Section 416, 7 U.S.C. 1431; Food and Agriculture Act of 1965, as amended, Section 709, 7 U.S.C. 1446a-1.
 - 2. Long Term Care Ombudsman - Older Americans Act of 1965, as amended (42

U.S.C. 3027 (a) (12) 45 CFR 1321 O.C.G.A. 31-8-50 et. Seq.

3. SSBG - Social Block Grant (Title XX) Omnibus Budget Reconciliation Act of 1981 P. L. 97-35
 4. Title V - 41 CFR Part 29-70, 103; 29 CFR Part 89 or 20 CFR Part 674
 5. CCSP - 45 CFR Part 200 Title XIX, Social Security Act, 1987, as amended
 6. GEORGIACARES - Section 4360 of the Omnibus Budget Reconciliation Act of 1990, P.L. 101-508, P.L. 101-166 Section 511
- I. Health Insurance Portability and Accountability Act (HIPAA) and 45 CFR Parts 160 and 164.

PARA #302 AUDITS:

- A. **Local Governments and Nonprofit Organizations-** CONTRACTORS that expend \$750,000 or more in **Federal funds** during their fiscal year agree to have a **single entity-wide audit** conducted for that year in accordance with the provisions of OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Uniform Guidance is located in 2 CFR part 200. Its audit requirements are located in 2 CFR part 200, subpart F. The audit reporting package shall include the documents listed in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

CONTRACTORS expending \$100,000 or more in **State funds** during their fiscal year agree to have an **entity-wide audit** conducted for that year in accordance with Generally Accepted Auditing Standards issued by the American Institute of Certified Public Accountants. The audit reporting package shall include the documents listed in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

CONTRACTORS expending at least \$25,000 but less than \$100,000 in **State funds** during the fiscal year agree to prepare **unaudited entity-wide financial statements** for that year. Assertions concerning the basis of financial statement preparation must be made by the president or other corporate official as described in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

CONTRACTOR further agrees to submit the required audit or financial statements within 180 days after the close of the CONTRACTOR's fiscal year.

- B. **For Profit Organizations-** Funds awarded to these CONTRACTORS cannot be expended to pay for the cost of a financial statement audit. In lieu of a financial statement audit, the CONTRACTOR must make available to the Regional Commission (RC) and its designees access to records and financial statements

necessary for the RC to determine compliance with laws, regulations, and the provisions of the contract. RC's designees shall include, but not be limited to, RC employees, RC auditors, RC consultants, or federal and state employees. Records must be made available upon request for both announced and unannounced visits.

The RC may choose to arrange and pay for a "limited scope audit" which will include "agreed-upon procedures conducted in accordance with Generally Accepted Auditing Standards issued by the American Institute of Certified Public Accountants." These "limited scope audits" will address one or more of the following types of compliance requirements:

- activities allowed or unallowed;
- allowable costs/cost principles;
- eligibility;
- matching, level of effort, earmarking; and
- reporting

The RC will engage an independent Certified Public Accountant to conduct the aforementioned "limited scope audit."

- C. The CONTRACTOR will be liable for any audit exceptions (findings, questioned costs, disallowed costs) resulting from failure to adhere to any of the regulations cited in this contract or any appropriate state or federal law. When the costs have been declared disallowed by the RC, such funds shall be promptly refunded to the RC upon written request from the SGRC to the CONTRACTOR.

Failure to comply with the above audit and financial reporting requirements could be cause for the RC to suspend payments, to terminate this contract, and/or to require a refund of all monies received under this contract.

PARA #303 ENTIRE UNDERSTANDING

This contract, together with the annexes and all other documents incorporated by reference, represents the complete and final understanding of the parties to this contract. No other understanding, oral or written regarding the subject matter of this contract may be deemed to exist or to bind the parties at the time of execution.

SECTION IV

PARA #401 CONTRACT ANNEX INCLUSION:

All annexes, as applicable, are made a part of this contract and are hereto attached:

Annex A - Statement of Work (includes budget)

Annex B – Older Americans Act Hearing Procedures

Annex C- Business Associate Agreement (HIPAA)

Annex D- Security and Immigration Affidavits

Annex E- Notice Concerning Critical Incident Reporting

Annex F- Certification Regarding Debarment

Annex G- Certification Regarding Lobbying