

ARTICLE I. FUNDS

A. Funding awarded under this Agreement is made available under provisions of the Older Americans Act Amendments, Title III and/or Title VII, and the California Department on Aging Agreement appropriations. Funding awarded is summarized in Exhibit B and represents the maximum obligation.

B. Expenditure of Funds

1. The Service Provider shall expend all funds received hereunder in accordance with this Agreement.
2. Any reimbursement for authorized travel and per diem shall be at rates not to exceed those amounts paid by the State in accordance with the California Department of Human Resources' (CalHR) rules and regulations.

In State:

- Mileage/Per Diem (meals and incidentals)/Lodging
<https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>

Out of State:

- <http://hrmanual.calhr.ca.gov/Home/ManualItem/1/2201>

This is not to be construed as limiting the Service Provider from paying any differences in costs, from funds other than those provided by RCOoA, between CalHR rates and any rates the Service Provider is obligated to pay under other contractual agreements. No travel outside the state of California shall be reimbursed unless prior written authorization is obtained from RCOoA. [SCM 3.17.2.A(4)]

The Service Provider agrees to include these requirements in all agreements it enters into with subcontractors to provide services pursuant to this Agreement.

RCOoA reserves the right to refuse payment to the Service Provider or disallow costs for any expenditure, as determined by RCOoA to be: out of compliance with this Agreement, unrelated or inappropriate to Agreement activities, when adequate supporting documentation is not presented, or where prior approval was required, but was either not requested or not granted.

ARTICLE I. FUNDS (Continued)

C. Accountability of Funds

1. The Service Provider shall maintain accounting records for funds received under the terms and conditions of this Agreement. These records shall be separate from other records for any other funds administered by the Service Provider, and shall be maintained in accordance with Generally Accepted Accounting Principles and Procedures and the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [2 CFR 200] [45 CFR 75]

2. Financial Management Systems

Service Provider shall meet the following standards for its financial management systems, as stipulated in 2 CFR 200.302 and 45 CFR 75.302:

- a. Financial Reporting.
- b. Accounting Records.
- c. Complete Disclosure.
- d. Source Documentation.
- e. Internal Control.
- f. Budgetary Control.
- g. Cash Management (written procedures).
- h. Allowable Costs (written procedures).

RCOoA may require financial reports more frequently and/or with more detail, upon written notice to the Service Provider, until such time as RCOoA determines that the financial management standards are met.

ARTICLE I. FUNDS (Continued)

D. Unexpended Funds

Upon termination, cancellation, or expiration of this Agreement, or dissolution of the entity, the Service Provider shall return to RCOoA immediately upon written demand, any funds provided under this Agreement, which are not payable for goods or services delivered prior to the termination, cancellation, or expiration of this Agreement, or the dissolution of the entity.

E. Funding Contingencies

1. It is understood between the parties that this Agreement may have been written before ascertaining the availability or appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
2. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government or by the Budget Acts of the appropriate fiscal years for the purposes of these programs. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or the Legislature that may affect the provisions, terms, or funding of this Agreement in any manner.
3. No legal liability on the part of RCOoA for any payment may arise under this Agreement until funds are made available.
4. Funding Reduction(s)
 - a. If funding for any State fiscal year is reduced or deleted by the Department of Finance, Legislature, or Congress for the purposes of this Agreement, RCOoA has the option to either:
 - i. Terminate the Agreement; or
 - ii. Offer a contract amendment to the Service Provider to reflect the reduced funding for this Agreement.
 - b. In the event that RCOoA elects to offer an amendment, it shall be mutually understood by both parties that:
 - i. RCOoA reserves the right to determine which contracts, if any, under this program shall be reduced.

ARTICLE I. FUNDS (Continued)

- ii. Some contracts may be reduced by a greater amount than others, and
- iii. RCOoA shall determine at its sole discretion the amount that the contracts shall be reduced for the fiscal year.
- c. RCOoA may reduce the amount of awarded funding if the Service Provider is not meeting service objectives as identified in Exhibit A or if spending pattern indicates the Service Provider will have unexpended funding at the end of the Agreement period of performance. RCOoA will be the sole determinant of all reduction of funding and will be reasonable in its determination.
- d. The Service Provider hereby expressly waives any and all claims against RCOoA for damages arising from the termination, suspension, or reduction of the funds provided by RCOoA.
- e. In the event of termination of this Agreement for reduction, suspension or termination of funds by RCOoA, the Service Provider shall be compensated by RCOoA for completed services rendered prior to termination, subject to availability of funds, allowability of costs and audit verification.

F. Interest Earned

- 1. Interest earned on federal advance payments deposited in interest-bearing accounts must be remitted annually to RCOoA. Interest amounts up to \$500 per year may be retained by the Service Provider and subcontractors for administrative expenses. [2 CFR 200.305(b)(9)] [45 CFR 75.305 (b)(9)]
- 2. Interest earned on advances of federal and non-federal funds shall be identified as non-match cash. [2 CFR 200.305 (b)(8)] [45 CFR 75.305(b)(8)]
- 3. The Service Provider must maintain advance payments of federal awards in interest-bearing accounts, unless the following apply: [2 CFR 200.305(b)(8)] [45 CFR 75.305 (b)(8)]
 - a. The Service Provider receives less than \$120,000 in federal awards per year.

ARTICLE I. FUNDS (Continued)

- b. The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on federal cash balances.
- c. The depository would require an average or minimum balance so high that it would not be feasible within the expected federal and non-federal cash resources.
- d. A foreign government or banking system prohibits or precludes interest bearing accounts.

ARTICLE II. BUDGET AND BUDGET REVISION

- A. The Service Provider shall be compensated for expenses only as itemized in the approved Budget with the exception of line-item budget transfers as noted in this Attachment and shall not be entitled to payment for these expenses until this Agreement is approved and executed by the County of Riverside. The approved Budget is hereby incorporated by reference into this Agreement as part of Exhibit C.
- B. The Budget must set forth in detail the reimbursable items, unit rates and extended total amounts for each line item. The Service Provider's Budget shall include, at a minimum, the following items when reimbursable under this Agreement:
 - 1. Personnel Costs – annual FTE wage rates and personnel classifications together with the percentage of time to be charged, specified for each fund source.
 - 2. Fringe Benefits – specified for each fund source.
 - 3. Staff Travel – mileage reimbursement, lodging, per diem and other travel costs, specified for each fund source..
 - 4. Staff Training – attendance cost for necessary training, specified for each fund source.
 - 5. Property/Equipment - detailed descriptions and unit costs, specified for each fund source.
 - 6. Supplies – to include items below the \$5,000 equipment threshold, specified for each fund source.

ARTICLE II. BUDGET AND BUDGET REVISION (Continued)

7. Vendor/Consultant Agreements – specified for each fund source.
 8. Food – used in delivering Congregate and Home-Delivered Meals.
 9. Other – Facilities and other ordinary and necessary costs specified for each fund source.
 10. Indirect Costs.
- C. The Service Provider shall ensure that any Subcontractor shall submit a budget, which shall be incorporated by reference into the Subcontract and will have, at a minimum, the categories listed in Section B. above.
- D. Indirect Costs
1. The maximum allowable reimbursement for indirect costs is ten percent (10%) of Service Provider's Modified Total Direct Costs (MTDC), excluding in-kind contributions and nonexpendable equipment.
 2. Service Provider requesting reimbursement for indirect costs shall retain on file an approved indirect cost rate accepted by all federal awarding agencies or an allocation plan documenting the methodology used to determine the indirect costs.
 3. Indirect costs exceeding the ten percent (10%) maximum may be budgeted as in-kind for purposes of meeting matching requirements in Title III and VII programs only. Service Providers must receive prior approval from RCOoA prior to budgeting the excess indirect costs as in-kind.
 4. For major Institutes of Higher Education and major nonprofit organizations, indirect costs must be classified within two broad categories: "Facilities" and "Administration." "Facilities" is defined as depreciation on building, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable). [2 CFR 200.414(a)] [45 CFR 75.414(a)]

ARTICLE III. PROGRAM SPECIFIC FUNDS

A. Program Income

1. “Program Income” means revenue generated by the Service Provider or the subcontractor from Agreement-supported activities and may include:
 - a. Voluntary contributions received from a participant or other party for services received.
 - b. Income from usage or rental fees of real or personal property acquired with grant funds or funds provided under this Agreement.
 - c. Royalties received on patents and copyrights from Agreement-supported activities.
 - d. Proceeds from the sale of goods created under RCOoA grant funds.
2. Program Income must be reported and expended under the same terms and conditions as the program funds from which it is generated.
3. Program Income must be used to pay for current allowable costs of the program in the same fiscal year that the income was earned (except as noted in 5).
4. For Title III B, III C, III D, III E, VII Ombudsman, and VII-A Elder Abuse Prevention programs, Program Income must be spent before contract funds (except as noted in 5) and may reduce the total amount of contract funds to the Service Provider
5. For Title III B, III C, III D, III E, VII Ombudsman, and VII-A Elder Abuse Prevention programs, if Program Income is earned in excess of the amount reported in the Area Plan Budget, the excess amount may be deferred for use in the first quarter of the following Agreement period, which is the last quarter of the federal fiscal year.
6. If Program Income is deferred for use it must be used the last day of the federal fiscal year and reported when used.
7. Program Income may not be used to meet matching requirements of this Agreement.
8. Program Income must be used to expand baseline services.

ARTICLE III. PROGRAM SPECIFIC FUNDS (Continued)

B. One-Time Only (OTO) Funds

1. “One-Time Only Funds” means Title III and Title VII program funds allocated by CDA to RCOoA as a result of the federal reallocation process. [22 CCR 7314(a)(8)]
2. OTO funds are non-transferable between funding sources and can only be used in the program in which they were accrued.
3. Titles III and VII Program OTO funds shall only be used for the following purposes:
 - a. The purchase of equipment to enhance the delivery of services to the eligible service population and is an allowable cost of the program.
 - b. Home and community-based projects which assist families and/or caregivers to maintain the eligible service population in a home environment, as approved by RCOoA.
 - c. Innovative pilot projects, approved by CDA/RCOoA, and are designed for the development or enhancement of a comprehensive and coordinated system of services as defined in 45 CFR 1321.53 (a)(b).
 - d. OTO funds may be used to maintain or increase baseline services, with RCOoA approval. However, programs funded with OTO funds shall not exceed OTO funding beyond the current fiscal year in which OTO funds are awarded.
4. Nutrition Services Incentive Program (NSIP) are OTO funds used to purchase food only in the Elderly Nutrition Program.

C. Matching Contributions

“Matching Contributions” means the cash value and/or in-kind contributions made by the Service Provider, a subcontractor, or other local resources that qualify as match for the Agreement funding.

1. Cash and/or in-kind contributions may count as match, if such contributions are used to meet program requirements.

ARTICLE III. PROGRAM SPECIFIC FUNDS (Continued)

2. Any matching contributions (cash or in-kind) must be verifiable from the records of the Service Provider or a subcontractor.
3. Matching contributions must be used for allowable costs in accordance with the OMB cost principles.

ARTICLE IV. PROGRAM SPECIFIC BUDGET AND BUDGET REVISION

A. Line Item Budget Transfers

The Service Provider may transfer contract funds between line items under the following terms and conditions:

1. The Service Provider may transfer any or all administrative funds into program without restrictions for each funding source – Title III B, C-1, C-2, & E. However, the Service Provider shall not transfer funds designated for programs into administration line items.
2. The Service Provider shall submit a revised budget to RCOoA when one or the cumulative line-item budget transfers exceed ten percent (10%) of the total budget for each funding source.
3. The Service Provider shall maintain a written record of all budget changes and clearly document line-item budget changes. The record shall be available to RCOoA upon request and shall be maintained in the same manner as all other financial records.
4. Final budget revision containing line-item adjustments may be submitted as necessary, but no later than ninety (90) days prior to the ending date of the Agreement and shall not include allocation transfers.

B. Matching Requirements

1. The required minimum administration matching contributions for Title III B, not including Ombudsman, III C, & III E combined is twenty-five percent (25%).
2. The required minimum program matching contributions for Title III B, not including Ombudsman, and III C is ten percent (10%).
3. The required minimum program matching contributions for Title III E is twenty-five percent (25%).

ARTICLE IV. PROGRAM SPECIFIC BUDGET AND BUDGET REVISION (Continued)

4. Minimum matching requirements are calculated on net costs, which are total costs less program income, non-matching contributions, and State funds.
5. Program matching contributions for Title III B, not including Ombudsman, and III C can be pooled to meet the minimum requirement of ten percent (10%).
6. Matching contributions generated in excess of the minimum required are considered overmatch.
7. Program overmatch from Title III B or C can be used to meet the program match requirement for Title III E.
8. Of the total minimum match required for Title III at least twenty-five percent (25%) must be from local public agencies (e.g., city and county governments, school districts, special districts, and water districts).

C. Equipment

Equipment/Property with per unit cost over \$5,000 or any computing devices, regardless of cost requires justification from the Service Provider and approval from RCOoA. To request approval for specific equipment items, requests with justifications shall be sent to ooacontracts@rivoc.org. Such items must also be included in the Service Provider's approved budget. Please note an approved budget is not approval for equipment purchase.

- D. The Title IIIC nutrition augmentation funding may be transferred between General Fund C1 and General Fund C2 as needed to provide services. The funding must not be transferred to other programs or be used to supplant other program funding, including the Federal Title IIIC1 and Federal Title IIIC2.

E. Supplanting Funds

RCOoA funds cannot be used to supplant (replace) funds from non-federal funding sources.

F. Acknowledging RCOoA Funding

The Service Provider shall acknowledge funding by RCOoA when resources are explained verbally or in writing, specifically in brochures, press releases, etc., and shall acknowledge RCOoA by the use of signs on funded vehicle(s).

ARTICLE V. PAYMENTS

A. Title III B, III C, III D, III E, VII Ombudsman and VII-A Elder Abuse Prevention

The Service Provider shall request payment monthly, on a reimbursement basis, and in arrears for actual expenses incurred, less any amount applied against the advance, beginning with the October expenditure report

The Service Provider shall prepare and submit a Monthly Financial Report/ Request in an electronic format to RCOoA no later than the 10th working day of each month or as specified by RCOoA. The report shall include all costs and funding sources for the month prior.

B. Ombudsman Citation Penalties Account, Licensing and Certification Program funds, Skilled Nursing Facility Quality and Accountability Funds, CARES Act, Elder Justice Act, and Older Californians Act

The Service Provider shall submit a monthly expenditure report and a request for funds to RCOoA no later than the 10th business day of each month unless otherwise specified by CDA

C. Payment shall be rendered by RCOoA to the Service Provider within thirty (30) calendar days of receipt of an approved invoice.

D. Any accruals for any unpaid obligations at the end of the fiscal year is to be paid within thirty (30) days.

ARTICLE VI. CLOSEOUT

A. The Closeout Report shall be submitted annually to the RCOoA Fiscal Branch. All service providers are required to submit Closeout Reports as instructed by RCOoA.

B. Federal funds will be reduced proportionately to maintain the required matching ratios if the Contractor fails to report sufficient match.

C. Closeout reporting documents must be addressed to the RCOoA Fiscal Branch.